

HOME NEWS

Built-in majority for a sceptical approach to secrets Act reform

By Peter Hennessy

The Cabinet committee on official secrets, established in July, 1976, to draft legislative proposals to replace section two of the Official Secrets Act, 1911, whose renewal will be published as a White Paper on Wednesday, is seen in Whitehall as a classic illustration of the way prime ministerial patronage can determine the outcome of a policy exercise.

By choosing the membership of GEN 29, as the committee is known from its secret Cabinet Office classification, Mr James Callaghan, who chaired its meetings, was able to exclude members who might have brought its deliberations more into line with the Labour Party's manifesto pledge of October, 1974.

The manifesto promised the replacement of section two by a statute placing the onus on the authorities for justifying the withholding of information from the public.

Last Thursday Mr Callaghan told the Commons that the Cabinet was unable to share the conclusion contained in the manifesto. It had no intention of introducing a British version of American or Swedish legislation on freedom of information.

Membership of GEN 29 changed slightly with the ministerial reshuffle in September, 1976, when Mr Roy Jenkins left the Cabinet and again in February last year, after Mr Anthony Crosland's death.

For the past 16 months it has been Mr Callaghan, Mr Merlyn Rees, Home Secretary, Mr Healey, Chancellor of the Exchequer, Mr David Owen, Foreign Secretary, Lord Peart, Lord Privy Seal, Mr Michael Foot, Lord President, Mr Frederick Mulley, Secretary of State for Defence, Lord Elwyn Jones, Lord Chancellor, Mrs Shirley Williams, Secretary of State for Education and Science, Mr Edmund Dell, Secretary of State for Trade, and Mr Samuel Silkin, Attorney General.

The committee last met on May 25 when it decided to publish a White Paper. Reflecting unease expressed by the party's national executive committee

and the home affairs group of Labour backbenchers about the breaking of a manifesto pledge, Mr Foot questioned the value of publication and argued that if a White Paper did appear it should not rule out entirely the possibility of future legislation on freedom of information.

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It is felt in Whitehall that by excluding Mr Wedgwood Benn, Secretary of State for Energy, a prominent exponent of greater disclosure, and Mr Roy Mather, Secretary of State for Prices and Consumer Protection, whose instincts are liberal, in this matter, the Prime Minister ensured a majority on GEN 29 for his own sceptical stance on official secrets reform. As a result, its tendency has been to delay as much as it could and to give away as little as circumstances allowed.

The Cabinet's ostensible reason in the White Paper for rejecting a British freedom of information Act is primarily the cost. The White Paper mentions a figure of £150m as the annual cost of American legislation, although it is reluctant to offer that as heard information, accurate estimates being difficult to obtain in Washington. The next phase of the debate will probably focus on the cost and practicability of British moves towards reforms in the American and Swedish pattern which the White Paper pledges the Government to study.

Mr Callaghan told the Commons last week that there had been "a great improvement in the amount of material disclosed voluntarily by government departments under the Cabinet's present open government policy. A critical test of that commitment will come on Wednesday when the Home Office and Civil Service Departments are asked to publish a White Paper. Reflecting unease expressed by the party's national executive committee

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Government anxiety over the effect of new techniques on employment prospects in important industries
Lack of microprocessor technology a threat to balance of payments

By Pearce Wright

The effect on the pattern of employment in specific industries is to be expected from the introduction of microprocessors has been assessed by case studies by the Science Policy Research Unit at Sussex University.

The findings of an investigation that began a year ago (contained in a report, The Impact of Microelectronics in the United Kingdom: A Suggested Classification and Illustrative Case Studies) provide answers to some of the questions facing the Government.

Anxiety about employment was the reason why the Central Policy Review Staff (the "think tank") was asked three weeks ago by the Prime Minister to start an inquiry into the social implications of microprocessors. The announcement of that examination coincided with the decision of the Department of Industry to make £15m available to encourage the use of microprocessor technology and of the National Enterprise Board to reserve £50m for investment to build the small British micro-

electronics activity into a competitive international industry. The main conclusion of the Sussex University study is that Britain's balance of payments will suffer severely if United Kingdom companies, already behind their competitors, cannot offer microprocessors in new products and processes.

The four industries examined are materials handling, textiles machinery, cars, and office products. The first group covers industrial forklift trucks, lifts and escalators, cranes and hoists, and Post Office handling equipment.

The forklift truck accounts for about 12,000 people engaged in the materials handling industry. Companies making forklift trucks have serious difficulties in keeping pace with their foreign competitors because present users of many vehicles are changing to automated warehousing systems with mixtures of driverless trucks and other methods for moving materials. As much as a quarter of the present business for electric trucks could be displaced in this way, according to the Sussex report.

Even if the companies attempt to innovate, they are likely to face severe shortages of engineers with the necessary skills required for work with microelectronics.

Large retail distribution chains require a new warehouse every six to seven years. The next generation of warehousemen will be fully automated, requiring a tenth of the labour. Thus employment in the large retailing sector is liable to grow much more slowly than turnover.

But it is not in that area that labour displacement will occur, in the judgement of Mr J. H. McLean and Mr H. J. Rush, who made the investigation. They argue that most such displacement will arise from additional pressure on relatively inefficient small retailers, who will continue to be forced out of business by the larger chains exploiting automation and other economies of scale.

The assessment of textile machinery is more optimistic. Manufacturers of equipment for the textile industry are under intense competition in the 1950s and 1960s have developed considerable expertise in electronics technology.

Although employment in the textile industry fell by half, the increase in labour productivity of 314 per cent, from £616 net output a person to £1,934 over that period, was largely due to new high-speed and high-precision machinery.

Exporting equipment from textile machinery manufacturers is a main part of mechanical engineering exports. Nevertheless, some doubt is expressed because the main British companies do not seem to be developing experience in microelectronics technology.

The examination of the car industry looks at the different impact of microprocessors to substitute for an old technology or to make a complete change. Conventional dashboard displays can be replaced by a single microprocessor display panel. Alternatively, a microprocessor can be used to control the ignition timing for each cylinder on an engine to ensure maximum performance.

The use of microelectronics in the car industry is believed to be potentially greater than in any other manufacturing sector.

Many criticisms are made of the slow progress in the United Kingdom. With government legislation yet to be enacted over the regulation of exhaust emissions, and over fuel economy, the adoption of microelectronics to matters such as ignition control is likely to be slow. In addition, car manufacturers have shown little enthusiasm for innovation in that field, according to the Sussex study.

On the other hand the suppliers of automotive components have accumulated considerable expertise in electronics. The failure of the car industry to adopt devices incorporating microprocessors may affect their own export markets and the activities of the component companies.

The car manufacturers are said "not to have a reputation for technological leadership". That is also reflected in their adoption of new manufacturing processes.

During the 1950s and 1960s the manufacturers kept pace with their international counterparts. But the ability to keep pace with innovation, particularly in microelectronics,

has been placed in doubt in the past few years. Lacking capital resources for re-equipping with advanced technology, have caused companies to fall behind other nations in the adoption of microelectronics.

Microelectronics has potential to add flexibility to engines, assembly plants, the present position of the industry is that the high cost of re-equipping could justify if an important car model was under development and unlikely even to be produced.

Office products manufacture is said, is the only of the four industrial sectors where microelectronics is being used rapidly. But it is there the estimated growth of 10 per cent in "word-processed" in the United Kingdom compared with 20 per cent in the rest of the world.

Next year could have field and lead to "a deterioration of the quality of the relationship between management and employees".

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Belfast bombs cause £1m damage

From David Nicholson-Lord

Damage approaching £1m is believed to have been caused by petrol-bomb attacks on warehouses and small businesses near the centre of Belfast yesterday.

Unlike recent attacks, the explosions took place in daylight, causing extensive fires. Six blast incendiaries blew up in as many minutes, shortly after 3 pm, in buildings off Great Victoria Street, one of the city's main thoroughfares, about a quarter of a mile from the shopping centre.

The area was immediately sealed by troops and police and families were moved out of houses nearby. A fireman suffered a slight hand burn to his face. The police were alerted after two men were seen hanging plastic bags outside the buildings.

A warning call from the Samaritans, came three minutes after the first blast, when police had already arrived at the scene.

The call said that 12 bombs, of the type used in Bebrury's La Mon House restaurant explosion, when 12 people died, had been planted. A seventh bomb exploded at 3.45 pm at a vacant factory, and another, hanging outside a furniture store recently reopened after an attack several months ago, was defused by Army bomb experts.

The target of the first bombs was a warehouse belonging to United Paper Merchants in Little Victoria Street, 50 yards from the headquarters of the Automobile Association. Other businesses destroyed included clothing and button manufacturers, an art gallery, a surgical

supplies warehouse containing stock valued at £250,000, and an empty factory on Downshire Place. Ten cars are also thought to have been destroyed.

Yesterday's petrol bomb attacks on the city in Belfast since the Smithfield bus depot was destroyed almost five weeks ago. It led to speculation that it might have been intended as revenge for the deaths of three Provisional IRA bombers in a security area in the city.

Yesterday's attack would appear to run counter to IRA bombing tactics, as outlined last month in *Republican News*, which spoke of a shift in the campaign away from the blanket bombing of commercial premises towards prestige communications and government targets.

The rescue services were called to Wylfa Head power station, Anglesey, which serves the South-west, after an operator noticed a turbine vibrating violently.

Mr Alan Kirkpatrick, the station manager, said later that it was impossible to say how much damage had been caused by the leak from a pipe that feeds the bearings of a turbine.

Only one of the station's four turbines is in use. Two are shut down for an annual overhaul but it is expected that one will be returned to service in about a week.

Firemen, the police and the ambulance service were called to a nuclear power station yesterday when an oil pipe fractured and 500 gallons of combustible oil leaked near turbines.

The guidelines state that within a framework of law and prevailing labour regulations and practices, multinational companies should "respect the rights of their employees to be represented by trade unions and other bona fide organizations of employees".

The union is writing today to the TUC asking it to put pressure through the OECD for enforcement of the guidelines and to enlist the support of affiliated unions for a counter-attack to this kind of attack came as the weekend from Mr Peter Walker. He said: "The Tory parliamentary party are today confined in their belief that Mr Callaghan is one of the most disastrous of our postwar Prime Ministers."

Saying that he had been the first to dub Mr Callaghan "the Scoundrel Baldwin", Mr Walker said he took it back. "Alas, it is only in appearance and not in action that Mr Callaghan is similar to Mr Baldwin," he said.

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Union urges boycott of birth pills

By Donald Macintyre

British women trade unionists will be urged to boycott three brands of contraceptive pill unless the manufacturers agree to recognize the Association of Scientific, Technical and Managerial Staffs.

Mr Clive Jenkins's union has been cast in the unlikely role of representing family planning with disruption because of a five-year-old battle with John Wyeth and Brother for bargaining rights.

The union, which wants recognition for 100 medical representatives at the company's base in Maidenhead, Berkshire, is threatening to "black" its pills in hospitals and family planning clinics.

The company, a subsidiary of an American company, has its main laboratory at Maidenhead, though the three pills involved, Ovran, Ovran 30 and Ovaranette are manufactured at Havant, Hampshire.

Mr Jenkins's union is basing its argument on a recommendation by the Advisory Conciliation and Arbitration Service, which said that the company's claim that the company is contravening guidelines of the Organization for Economic Co-operation and Development (OECD).

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Teaching of politics called for in schools

By Ian Bradley

There should be a basic provision of political education in the core curriculum of all secondary schools, a report published today by the Hansard Society states.

The report also recommends that a small core of general politics should be taught to all teachers in training, that all local education authorities should have advisers on political education and that a national inspector should be appointed with special responsibility for the subject.

The report comes after a three-year research project undertaken with the Politics Association, the professional association of teachers in politics, and after a survey by the Hansard Society which showed a low level of political awareness among schoolchildren.

The survey revealed that a quarter of school-leavers thought the IRA was a Protestant organization, and that 44 per cent thought that the Conservatives favoured more nationalization.

Many politicians, including Mrs Shirley Williams, Secretary of State for Education and Science, and Mr Norman St John-Stevas, opposition spokesman on education, have said that they are concerned about the political apathy and ignorance of schoolchildren and that they would like to see politics as part of the curriculum.

Others, most notably Mr Rhodes Boyson, have argued strongly against political education on the ground that it would be likely to reflect the bias of the individual teacher.

In an interview with *The Times*, Professor Bernard Crick, of Birkbeck College, London University, who chaired the working party that drew up the report, defined political literacy among young people as "having the skills,

knowledge and attitudes effective in political situations when they leave school."

He made clear that report was not an account of politics should become another subject in the curriculum. It could often be taught as part of subjects as history, English, geography. It should be taught in all schools now.

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'Sunday Times' copies lost

By Our Labour Staff

The *Sunday Times* lost 390,000 copies yesterday because of a dispute with staff primarily involved with the packing and dispatch of newspapers.

Publication was disrupted when members of the Society of Graphical and Allied Trades (Sogat) held a meeting in working hours and declined to work overtime after the end of their shift.

The management said yesterday that the Sogat staff earn a basic £37.35 for a Saturday night shift and have been claiming a new rate of £45. The rate applies to about 400 staff in all, including van drivers and guards as well as publishing room employees.

Mr William Keys, the union's general secretary, who was told of the dispute by the Newspaper Publishers Association yesterday is to call for a report. The management referred yesterday to its letter to union general secretaries of April 26 saying that *Times Newspapers* must suspend publication of its newspapers if ways could not be found of ending unofficial labour troubles.

be management said yesterday that the chapel (office union branch) did not offer improvements in productivity in return for the new rate. The chapel is believed to argue that its members are paid less than those doing equivalent jobs on other Fleet Street Newspapers.

The management said that the Sogat members also wanted money for three hours' overtime if one hour's overtime was worked and is in members involved on Saturday night had refused to work any overtime unless that demand was conceded. The Saturday night chapel is not the same as *The Times* chapel.

Most of the *Sunday Times* copies lost yesterday were intended for London and the Home Counties. Trouble for work and the previous week also resulted in losses.

Mr M. J. Bussay, chief executive and managing director of *Times Newspapers*, said yesterday: "This incident illustrates and emphasizes the dilemma of *Times Newspapers*, and is an example of the type of activity which made necessary the letter of April 26. *The Sunday Times* is poised for expansion and is in a very strong position, but this type of action infuriates the readers and hits down the advertiser who is paying for advertising on a basis of a circulation of 1,400,000 copies."

"How can you run a newspaper and try to ensure continuous production when a group is claiming money without offering productivity in return and when most of the staff is loyally producing the paper within government pay guidelines?"

Mr Keys said yesterday: "Our position as a union is clear, that we are against interruption of publication other than in a last resort situation. I do not know the details of what happened at *The Sunday Times* last night and I will not do so until I have a report."



Delayed air passengers at Gatwick drink tea or sleep to pass the time (Report, page 1).

Pay policy dominates government business

By Fred Emery

Political Editor

Well before Mr James Callaghan brings home the world economic news from Bonn tonight, British pay policy will again be dominating the government's business. The long-awaited pay rises for the police are to be announced today by the less for most policemen, then the Conservatives will probably press for to be given either all at once, or in two instalments.

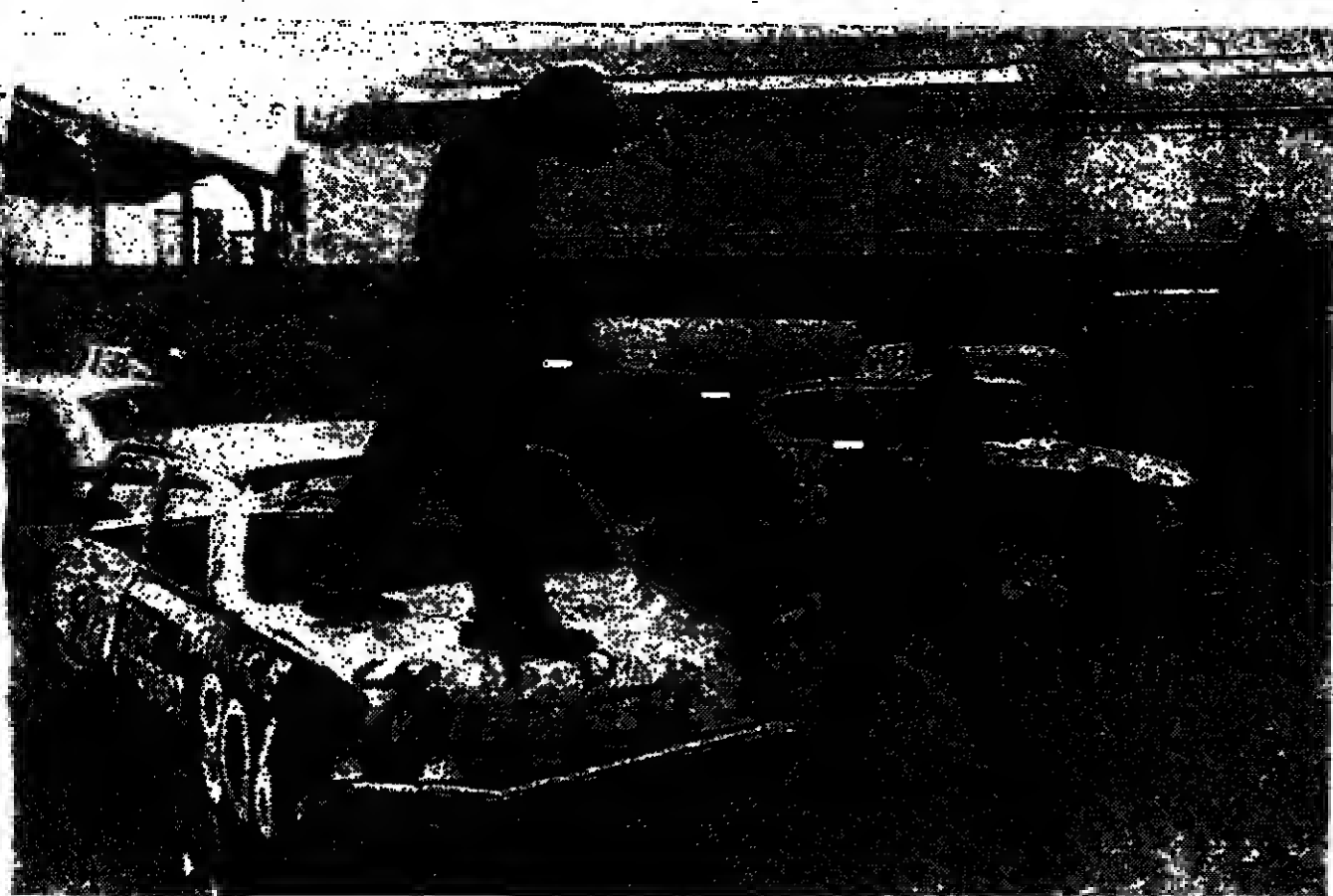
Mr Callaghan, retires from Bonn in the evening to prepare for tomorrow's meeting on the next phase of pay policy with the TUC, and on Wednesday with the CBI.

Also, as the parliamentary season draws to a close, the pre-election atmosphere is to be heightened this week with the broadcast of long television interviews with Mrs Margaret Thatcher and the Prime Minister. The Leader of the Opposition is to appear on BBC's *Panorama* tonight at 8.10 pm, and the Prime Minister will be interviewed on Thames Television's *This Week* at 9.30 pm on Thursday.

The controversy over the National Union of Railmen's (NUR) defying a pay policy under a Conservative government continued yesterday in other broadcast interviews.

Mr Sidney Weighell, NUR general secretary, confirmed his stand that under Mrs Thatcher's proposed return to free collective bargaining the NUR would seek, as "one of the strongest unions" to get the most.

HOME NEWS



on Motor Project members use a sledge-hammer to coax a "banger" into the next race.

'Banger' racing as cure for delinquent youth

By Evans

Affairs Correspondent

Delinquent officers in south on have discovered that a way of stopping young le from taking and driving cars is to give them "old as" to do up and race in editions.

fore a big crown at Wim- Stadium on Saturday "bangers" coughed and had round the track in us of blue smoke and in from overheated nes. They are found for young people by the local oil and greases, including a arful scrap dealer, Mr. Geo- Goodchild.

he leads prepare cars under rvision and Mr Goodchild sports them to Wimbledon. re the drivers, aged 16 and s, run them in organized ppetitions against men who re been followers of anker" racing for years. towards Mr Goodchild takes ck as scrap what is left.

The evening culminates in a tion called "Derby" for riatric cars that still manage

to hiccup on to the track after surviving races earlier in the programme. Drivers try to eliminate cars by colliding with them to stop engines.

"Drive backwards, the back of your car is your strong point," the project leader, Alan McKennedy, advised a belated black youth starting over the wheel of a sizzling old Austin.

One mechanic, aged 15, said the trick was to refit engines so that vital parts were better protected from bumps. He had moved a radiator from the front of the side, behind one of the front wheels.

But his Anglia did not have much protection at the end. Wings and bonnet, badly buckled in an earlier race, jammed the front wheels and had to be removed with a sledgehammer.

The boy mechanic came to Elderton Motor Project, as it is called, via a social worker. "I had about six or seven 'pre-vious' for nicking fifty to sixty cars," he said.

It provides a more constructive alternative to the fines, endorsement, and disqualifi-

remand home and another time in a boys' hostel. "I was 12 when I first nicked a car." He used to carry more than forty car keys.

Alarmed by cases such as his, two probation officers, Mr Ronald Conn and Miss Ann Reed, thought of the project, for which they are now trustees. It is run for the probation service in an old slipper bath house, equipped for welding, paint spraying, body-building, and engine work. The management committee includes two policemen.

Mr Conn said: "Not only is there a big increase in taking and driving AWAY CARS, BUT YOUNGER AND YOUNGER BOYS ARE GOING IT."

A boy can volunteer to attend the project, but he must keep out of further trouble. In October, the project was registered as an intermediate treatment centre and began to take car crime offenders sentenced at juvenile courts.

It provides a more constructive alternative to the fines, endorsement, and disqualifi-

cations that are usually the first forms of punishment the courts use, welfare workers say, even though an offender may not be old enough to hold a driving licence. A trespasser often finds it difficult to drive a car legitimately when he has grown out of his delinquency.

The centre sets out to help him to become a legitimate driver with more respect for property. Apart from rewarding good behaviour by membership of the "banger" racing team, the project may provide youths with old cars to do up for themselves.

The group is run democratically. Recently the youths voted to punish one of their number who had "mucked around" with other members' cars. They did not allow him to work on his own car.

The first report of the project says that out of 47 individuals referred to it in a year, only six were known to have offended again—all within the first eight weeks of attendance and only four committed car crimes.

Other powers would be given to the regional government in the course, the announcement said. The Government also replaced the civil governors of the Basque provinces, including Navarre, where the riots began on July 8.

The new governor of Navarre, Señor Eduardo Amezaga, is a 32-year-old lawyer from north-western Spain. Until now he has been civil governor of the central province of Ciudad Real.

The crowd in San Sebastián marched today to protest against the deaths of two young men killed by gunfire during the week's disturbances, and against the provoked and destructive police riot carried out in Renteria last Thursday.

Parties supporting the demonstration called for the punishment of all those responsible and for the resignation of Señor Rodolfo Martín Villa, the Interior Minister.

In Madrid fascist and neo-fascist leaders from Spain, Argentina, Italy and France will take part in a rally at the city's main building tomorrow to celebrate the forty-second anniversary of the July 18 military uprising which overthrew the Spanish republic and brought General Franco to power.

Señor Carlos Corruzcher, head of the Argentine National Front, said a less conflict-ridden process is seen from Argentina as one more step towards the catastrophe which awaits all of the Western world.

Other EEC countries are more inclined to see the British objections as being dictated by the root and branch opposition of Mr Anthony Wedgwood Benn, the Energy Secretary, to the ceding of any national control over nuclear policy to Community bodies.

West Germany, France, Italy and Belgium all strongly support the draft texts as a basis for an EEC nuclear policy. France, in particular, is heavily committed in the fast breeder option and is anxious to get Community backing for its approach.

But the four countries also believe that a common position on these questions would enhance the Community's influence in the international nuclear fuel cycle evaluation talks, which are examining the dangers of, and alternatives to, plutonium as a fuel.

Denmark, Ireland and Holland, while sharing some of Britain's reservations about the proposed texts on reprocessing and fast breeders, are prepared to discuss proposals for co-ordinating the management and storage of radioactive waste.

The Government has not yet decided to proceed with the

construction of a 'commercial scale demonstration fast breeder reactor, and has pledged to make any decision the subject of a public inquiry. Fast breeders run on highly toxic plutonium and eventually "breed" more than they consume.

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Carter visit lends warmth to Bonn ties

From Patricia Clough

Bonn, July 16

President Carter's two-day visit to West Germany appears to have succeeded, where official assurances failed, in dispelling the impression during the visit of an atmosphere of warm friendship.

President Carter told a journalist before leaving for Bonn that he had "the highest respect and regard for (Herr Schmidt) as a wise and distinguished statesman and as a personal friend."

Herr Schmidt waived protocol aside and took his wife, Hannelore, to the airport to greet the President, Mrs. Carter and their daughter, Amy, like old friends.

Eyebrows had been raised at the fact that the two men would only have two hours' political discussion during the visit. In fact, they ended up holding for four hours and President Carter told jour-

nalists humbly that "he had never met any other world leader who has been of more assistance in my comprehension of economic matters than has Chancellor Schmidt."

The comment caused amusement among German journalists, for the Chancellor has a reputation for lecturing other statesmen on economics.

The climax of the visit was the President's town hall meeting with the people of West Berlin, followed by a triumphal procession down the Kurfürstendamm shopping street.

Mr Carter and Herr Schmidt, both beaming delightedly, were greeted by enthusiastic crowds. Greta Spitzer writes from Berlin: "With the assurance 'Was immer Sei, Berlin bleibt frei' (whatever may be, Berlin remains free)." President Carter yesterday confirmed America's commitment to West Berlin upon his arrival at the city's Tempelhof airport.

If this drew less applause than the didactic Westcott's 'Ich bin ein Berliner', Mr Carter still succeeded in drawing favourable comments from 150,000 cheering people along the Kurfürstendamm.

His first press conference, outside the United States, held in Berlin's Congress Hall and televised directly to America, was a success. Twenty-one out of an audience of 1,000 Berliners and a few visitors from East Germany, got a chance to ask him whatever question they wanted.

President Carter answered them all "to the best of my ability". The questions ranged from pocket money for his daughter, Amy, to chances of his visiting Berlin to German reunification and Euro-

communism. Political observers, often critical of his grasp of complex problems as shown by his answers to difficult questions, his frank admission where he had no answers and his moderate yet firm way of underlining American positions.

The President also commented on the Communist tactics that preceded his delaying tactics at the border checkpoints for up to two hours. The Bonn Government has protested to the East German Government as have the Ambassadors of the three Western powers in Bonn.

Indeed, the Soviet Embassy in East Berlin has protested against the presence of "distinguished West German personalities" in West Berlin.

Noting that the disruption of the traffic violated both the four-power and inter-German agreements, Mr Carter said: "I might say that I do not believe it helps them."

"It focuses attention upon the GDR, and their absence of free government, their prevention of emigration, their inability to permit their own people to speak out in dissent when they choose. I think the focusing of the world's attention on differences between our free society and theirs, which is not free, is not helpful to the mat'el."

Nor did President Carter think that whitewashing by East German police of the wall before he visited was the image of the Communist state. "I do not think anything can hide the image of the deprivation of basic human rights exemplified by the wall," he stated.

Rescuers in air crash

Chambéry, July 16.—Four people including the pilot were seriously injured when a helicopter returning from a mountain rescue operation crashed at Modane, in the French Alps, after flying into power lines.

WEST EUROPE

Explosion in Italian factory sends poison gas cloud across city making thousands of people sick

Trieste, July 16.—A lead plant is likely to be closed by authorities after an explosion spread a cloud of toxic gas over this city in northern Italy, local government sources said today.

City officials were expected to order the closure of the Sioi lead factory at a meeting tomorrow.

Thousands of Trieste's 92,000 population have complained of skin rashes, nausea and sore eyes since the explosion and fire during a heavy storm on Friday night. Angry residents here demanded that the plant, which has a history of accidents, be closed.

Lead was kept into a store of sodium, set off the blast. About 200 barrels ex-

ploded in a chain reaction, releasing a pall of noxious gas over the city.

Authorities at one stage prepared to evacuate the city, fearing that the blast could cause a rupture of the Svesco disaster two years ago when an explosion in a chemical factory released the dioxin (TCDD) poison over the small northern town of Svesco, killing animals and causing skin rashes, liver disease and spontaneous abortions.

The cloud of sodium hydroxide (caustic soda) gas over Trieste had dispersed today.

Health authorities said it would have no serious or permanent effect on the population, but they warned that it

would rust cars and damage crops in the surrounding countryside.

The factory, which produces petrol additives, has claimed four lives since 1960. There have also been 500 cases of poisoning and 31 cases of permanent injury at the factory.

Signor Carlo Luigi Randaccio, the owner, was sentenced to five years' imprisonment in 1975 after being tried for wilful neglect and manslaughter in connection with one fatal accident at his plant.

The explosion on Friday night was the second big one at the plant. The first, in 1966, threw up a similar toxic cloud which severely burned crops and rusted vehicles.—Reuter.

Home rule powers for Basques

From Harry Debelius

Madrid, July 16

Basque demonstrators numbering about 13,000 took to the streets in San Sebastián today, unimpressed by the Spanish Cabinet's decision yesterday to begin the transfer of powers to a regional Basque government.

A royal decree, to be published this week, will give the Basque General Council the officially recognized "pre-autonomous" body, direct control over certain matters involving industry, agriculture, commerce and urban development in the provinces of Vizcaya, Guipuzcoa and Alava.

An announcement after the Cabinet meeting said the transfer of powers had been under study for some time and was not the result of the wave of violence in the Basque country during the past week.

Other powers would be given to the regional government in the course, the announcement said. The Government also replaced the civil governors of the Basque provinces, including Navarre, where the riots began on July 8.

The new governor of Navarre, Señor Eduardo Amezaga, is a 32-year-old lawyer from north-western Spain. Until now he has been civil governor of the central province of Ciudad Real.

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Señor Carlos Corruzcher, head of the Argentine National Front, said a less conflict-ridden process is seen from Argentina as one more step towards the catastrophe which awaits all of the Western world.

Britain thwarts nuclear reactor move by EEC

From Michael Horneby

Brussels, July 16

Attempts to work out a joint European Community policy on fast breeder reactors, reprocessing and the management of radioactive nuclear waste have been abandoned indefinitely because of British opposition.

Texts setting out a common EEC position on these three aspects of nuclear energy policy had been drafted, and West Germany, as holder of the EEC presidency, had hoped to get them endorsed by foreign ministers later this month.

At a meeting of ambassadors in Brussels last week, however, Britain made clear that it was not prepared to accept any commitment at the Community level that might restrict the Government's freedom to determine its own nuclear objectives.

Britain was being asked, in substance, to endorse the view of the European Commission that the EEC should expand reprocessing facilities and press ahead with the development of fast breeders so as to keep open the option of using them for nuclear power generation in the 1990s.

Obviously, the British position is that the Government cannot be expected to endorse a Community strategy that would be seen at home as pre-empting highly sensitive political decisions that still have to be taken at the national level.

The Government has not yet decided to proceed with the

By-pass road ordered for Spanish coastal camps

From Our Correspondent

Madrid, July 16

Work will begin within six months on a new road by-passing a number of camping grounds and towns in the eastern Spanish coastal area; a spokesman for the Public Works Ministry said at the weekend in Lugo.

The new section of the Barcelona-Valencia road will leave parts of the generally narrow present road for local traffic giving a better alternative route to the toll motorways.

The death toll of Tuesday's explosion at the Los Alfaques camping ground reached 150 today after the bodies of five of the injured. The authorities have still not identified 90 of the charred and dismembered bodies found at the scene of the explosion.

Doctors fear that the final toll may further increase because most of the injured are so seriously burnt that they have little chance of survival.

After the repatriation yesterday of a number of injured foreigners, there were still 65 of the injured in Spanish hospitals today.

A joint communiqué from the Madrid and the national chemical associations yesterday suggested measures to avoid a repetition of the disaster.

They included increased use of rail transport in preference to roads; strict licensing of dangerous cargo transport; a new design for tanker lorries enabling them to resist possible accident stress; regular medical examinations and shorter working days for drivers of such lorries; and the restrictions of such traffic to certain hours and roads.

Communists lead Cabinet coalition in San Marino

San Marino, July 16.—Western Europe's only Communist-led Government takes power in the Republic of San Marino tomorrow when a coalition of Communists and Socialists presents its programme to Parliament.

Calling itself the Government of Democratic Collaboration, the coalition was formed on June 23, one month after an inconclusive general election.

The San Marino Communists claim independence from Moscow. The experiment will be watched closely from Rome by those expecting similar developments in Italy.

But the Italian Communists have played down the event, saying it had a bare mention in the party newspaper, L'Unità. They are aiming at a partnership with the Christian

'Murder by cancer' victim dies

Bonn, July 16.—After months of suffering, Mrs Ingeborg Ruopp has died in an Ulm clinic, the first ever victim of deliberately induced cancer.

The San Marino Christian Democrats emerged from the May 29 election as the biggest party within 26 of the 60 seats in the Great and General Council.

They failed to draw the Socialists back into a coalition and handed the mandate to the Communists who control 16 seats.

Signor Umberto Barulli, the Communist leader, then worked out a deal with the Socialist Party and the Unitary Socialist Party which together hold 15 seats.

The Communists held four portfolios, including that of the Interior, and the two Socialist parties three each, including the Foreign Affairs and Finance.—Reuter.

British forces' radio closed down in Malta

From George Sammut

Valletta, July 16

The Malta radio station of the British Forces Broadcasting Service suspended broadcasts from midnight on Friday at the insistence of the Maltese Government.

Seven days earlier Mr Minto, the Maltese Prime Minister, had stated: "If within a week the EEC does not broadcast the views of the Maltese majority we are prepared to take other steps."

Deputy High Commissioner, yesterday delivered a written protest on the suspension to Mr M. Abela, Malta's Secretary for Commonwealth and Foreign Affairs.

The French, Italian and West German ambassadors, and other countries, together with Britain and the United States, pay rent for the use of Maltese facilities, had a meeting with

Rescuers in air crash

Chambéry, July 16.—Four people including the pilot were seriously injured when a helicopter returning from a mountain rescue operation crashed at Modane, in the French Alps, after flying into power lines.

Labour considers curbing Front

Our Political Editor

Despite strong opposition to Mr Merlyn Rees, the Secretary, the Labour Party is to consider a proposal to curb the public activities of the National Front on the grounds that it is a fascist and a political movement.

The party's home policy committee is to discuss tonight a statement entitled "The response to the National Front" which has been prepared by Transport House.

It is the committee's view, the document would be considered by the party's national executive committee, which meets on Wednesday.

Party sources suggest, however, that there seems little chance of the controversial proposal being approved by the party.

The central proposal, which would restrict the public activities of the National Front, has been discussed

with Mr Rees, on July 4, was for immediate action to encourage local authorities to use Public Order Act bans specifically against National Front.

Mr Rees is understood to have demurred, and not only on the reported ground that it was unfair to place the burden of decision on the police.

He is said to have given a warning of what he saw as the dangers of encouraging selective action by local authorities. Tory councils might thereafter ban marches by trade unions.

Far better, Mr Rees argued, to keep to the emergency practice of banning all marches in a specific area for a limited time.

That is not satisfactory to Mr Frank Allaun, left-wing Labour MP for Salford, East, who has been the moving force behind the national executive action to try banning the National Front. Mr Allaun has often said that because racist incitement is illegal it

is far easier to tackle the Front on racist grounds than on political grounds.

Mr Allaun, with Mr Eric Heffer and Miss Joan Legg, was part of the national executive deputation that met Mr Rees. The draft national executive document admits that the result of some of its proposals will be a diminution of civil liberties, but argues that they are "necessary if we are to progress towards racial equality". Such proposals can expect to find resistance among national executive members.

Another party document that is at an even earlier stage than the one on the National Front concerns the old issue of removing "patriality" under which Commonwealth grandchildren of British citizens enjoy a right of entry into Britain. In fact the Conservatives and Labour are moving towards removing that right in the interest of equity in reforming the laws on nationality.

Some offences which formerly could be tried only in the higher courts can now go before either court, usually at the election of the defendant. They include bigamy, unlawful sexual intercourse with a girl aged under 16, and burglary that does not include violence.

The object of that part of the Act is to reduce the pressure of work on the crown courts

12 arrested in East End protest

By Trevor Fishlock

Hundreds of people marched in the East End of London yesterday in protest against the racial violence in that area in the past year. Many of the marchers' chants and slogans were directed against the National Front.

Before and during the march the police arrested 12 people for threatening behaviour, assault on the police and obstruction. Last week the police said that Spitalfields had more policemen for its size than any other area in Britain.

The demonstrators reflected the fears and growing anger of many of the Bengalis who live in the garment-working district of Spitalfields and who have been the main victims of harassment, vandalism, and violence by white hoodlums.

The marchers, black, brown and white, and wearing "Stop the NF Nazis" badges, congregated at the junction of Brick Lane and Bethnal Green Road, the place where National Front workers habitually meet on Sundays to sell their party newspaper and similar literature. It is the place, too, from where hoodlums recently launched a rampage down Brick Lane.

The demonstrators' aim was to prevent the National Front from using the site, which is close to Brick Lane's Sunday street market, and in that they succeeded. An advance guard, selling Socialist Worker newspapers, occupied the site early in the morning, and by the middle of the morning there were about a thousand people sitting in the road and standing on the pavements, listening to speeches. The speeches lasted for three hours, some of the speakers complaining that the police had been allowing National Front workers to distribute inflammatory literature during the preceding months.

The police were there in strength and kept more than 1,000 other demonstrators, gathered under a traffic ban, on the other side of the road. Both groups chanted constantly that they would return to Brick Lane Sunday afternoon to keep the National Front out.

They kept up the chant as they joined forces to march through the streets with a formidable police escort.

Religious and community leaders, councillors, trade union representatives and members of various political groups called on go strikers today in protest against racial violence. Community leaders in Spitalfields hope that many shops, offices, restaurants and factories will be closed or short-staffed because of the strike.

Mr Sibhat Kadri, president of the Standing Conference of Pakistani Organisations in Britain, said there was a strong feeling among Asians in the East End that they would have to form self-defence groups.

"The police did not stop the National Front meeting on this place and selling their filth," he said.

Widow robbed by children found dead

From Our Correspondent

Nottingham

Mrs Linda Bilson, aged 69, widow, who was terrorized by children over a period of nine months, has been found dead at her home in the Hyson Green area, complex at Nottingham.

She had not been seen for two days.

The police said yesterday that she had apparently died from natural causes. There were no suspicious circumstances.

A solicitor said earlier this year that Mrs Bilson had been consistently robbed of her pension by children aged 10 to 14.

Several children have already appeared in court accused of robbing her, and three have been sent to a detention centre.

Parents now liable for their children's fines

By Marcel Berlins

Legal Correspondent

From today motorists charged with drinking and driving offences will no longer be able to choose a trial by jury; and parents become liable for fines imposed on delinquent children.

Those are among many changes brought about by the Criminal Law Act, 1977, much of which has already been implemented.

The maximum fines that magistrates can impose for a wide range of offences are increased, mostly to £1,000. Among them are many of the crimes associated with football hooliganism, as well as offences concerning health and safety at work.

Fines that can be imposed on children by juvenile courts are also increased, from £10 to £50

for those aged under 14, and from £50 to £200 for 14 to 16-year-olds. Deliberate default by a child can make parents liable for the fine.

The loss of the right to trial by jury for people charged with drinking and driving offences and some other crimes, is part of a reorganisation of the distribution of business between the crown courts and the magistrates' courts.

Some offences which formerly could be tried only in the higher courts can now go before either court, usually at the election of the defendant. They include bigamy, unlawful sexual intercourse with a girl aged under 16, and burglary that does not include violence.

The object of that part of the Act is to reduce the pressure of work on the crown courts

The Warwick Vase likely to be sold

Continued from page 1

Birmingham City Museums and Art Gallery has succeeded in raising £550,000 to keep two of the pictures in Britain.

Most of the paintings that have gone have been replaced in the castle by relatively minor works, although some spaces have been left unfilled or covered by mirrors. The castle chapel has been decorated with paintings.

The castle archives have been offered to Warwickshire County Council for £120,000. Mr Michael Farr, the county architect, said nearly £300,000 had been raised and a public appeal was continuing.

The Warwick Vase, a 5ft Roman work, which dates originally from the second century AD, is thought to be worth several hundred thousand pounds.

A conservatory had been built to house it and when it disappeared the district council announced that it intended to serve a listed building order on Lord Brooke, arguing that

the conservatory was a listed building and that the vase was an integral part of the building.

Several important works remain, but some may go soon. The new guide, produced last year, makes no mention of a

OVERSEAS

Nuclear physicist joins Sakharov group who want support from West to continue but within limits

From Michael Binyon
Moscow, July 16

What now? Dr Andrei Sakharov, the nuclear physicist and doyen of Soviet dissidents, has been asked that question a hundred times in the last few days. With at least 20 members of the Helsinki human rights monitoring group in prisons throughout the country, did the movement have a future?

He gave his answer at the weekend. The Soviet leadership could not ignore the "resolute and universal condemnation" from the West, he said. A continued campaign in the West on human rights might force the authorities to stop their attempts to extinguish the Helsinki group. It was still alive.

He announced that it had a new member of considerable academic stature. Professor Sergei Polyakov, a nuclear physicist and corresponding member of the Soviet Academy of Sciences, appeared with Dr Sakharov to tell Western journalists of his intention to give maximum support to the group's efforts to continue gathering information on Soviet violations of human rights provisions in the Helsinki accords.

Professor Polyakov's formal announcement was clearly intended as a symbolic boost to the dissidents' morale. In fact, he has been increasingly active about human rights for the past year.

Earlier this year he was expelled from the Communist Party after holding a press conference for Western correspondents. He went to the trials of Mr Alexander Ginzburg and Mr Anatoly

Shcharansky, and waited outside the courthouse with other sympathizers.

Though he still keeps his job, he was prevented from travelling to Switzerland with his family last year on a scientific project, and says that he

now has no real work as his project has been transferred. The Moscow group originally had 18 members. Now all but seven have been arrested, or have emigrated or ceased their activities. Yesterday the group issued a statement, signed also by four dissident who are not members, condemning the three trials last week. It said that the Shcharansky court had found evidence of "provocation" witnesses more convincing than President Carter's denials that Mr Shcharansky had ever worked for the Central Intelligence Agency.

Though Dr Yuri Orlov, Mr Ginzburg and Mr Shcharansky were founding members of the group, they were never any question of their being acquitted. And so the other members were bereft of their support and had to learn to do without them from the day of their arrest. Indeed the group has been heartened by the public and support given it in the West.

Nevertheless Dr Sakharov told correspondents outside the Shcharansky trial court on Friday that the movement had reached a critical phase, and it was difficult to predict the future. Until now he has enjoyed a kind of personal immunity from arrest (though not from harassment) because of his distinguished background. But he was warned recently by the state prosecutor's office that any further demonstrations or "hooligan" activities would be punished with the full force of the law.

The Jewish emigration movement overlaps but does not parallel the Helsinki group. They shared a common member in Mr Shcharansky, and were, therefore, equally affected by his trial. But Professor Alexander Lerner, one of the group's spokesmen and the man named by the Soviet press as having recruited Mr Shcharansky for foreign intelligence, said that the movement would not be suffocated.

"We are all ready to do our best to keep it alive," Mr Shcharansky's arrest did not deprive them of leadership as theirs was a self-organized movement with no organizing structure. "Activists are born every day."

He admitted that he and others were afraid they might be arrested. He was sure the atmosphere was becoming more difficult, and the screws were tightening. But he was slightly encouraged that there were no ugly scenes outside the courts during the Ginzburg and Shcharansky trials as there had been in May at Dr Orlov's trial. The fact that the standstill had pleaded not guilty, showed that the KGB (the Soviet secret police) had not used what he called their most powerful methods. "They would have pleaded guilty otherwise."

Professor Lerner did not think the emigration campaign made it more difficult for those Jews who did not wish to leave the Soviet Union. In 1952, under Stalin, things had been far worse for Jews, and there was no emigration movement then. The movement could even make it easier for other Jews to remain, as the authorities would be faced with a larger number waiting to emigrate if conditions became too harsh.

The movement was helped by the support of the United States and the West. Professor Lerner believed it was important that the Soviet Union retained some respect in the international community, and wanted to keep this respect. Otherwise the authorities would have nothing to lose, and would have a free hand.

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Leading article, page 15

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Leading article, page 15



Viktor Korchnoi (left) tries out the chair he will use in the world chess championship in the Philippines. Anatoly Karpov (right) examines and rejects pieces proposed for the match.

Sadat peace team gets final instructions

From Christopher Walker
Cairo, July 16

The five-man Egyptian delegation to the tripartite talks here for England tomorrow with strict instructions from President Sadat to insist that Israel withdraw from Arab lands occupied in 1967 and agree to recognize the rights of the Palestinians.

These points were emphasized during a lengthy meeting held in Alexandria yesterday between the Egyptian President and his Foreign Minister, Mr Ibrahim Kamel, who will be leading the Egyptian negotiating team.

Diplomatic sources in Cairo are not optimistic that the talks will achieve any quick breakthrough, but it is widely expected that there will at least be agreement to continue the negotiations in some form at ministerial level within the next few weeks. A likely venue is the small Sinai coastal town of El Arish.

During his briefing of Mr Kamel, President Sadat said that the Egyptian delegation should concentrate on the issue of security for all the parties. The Egyptian delegation is expected to spell out in detail the measures which Egypt would be prepared to accept to meet Israel's security needs. These are not thought to have altered from the six points listed by President Sadat at the end of May during an interview with a group of Japanese correspondents.

Chief of the points were: demilitarized zones on the border; a limited armament area; the presence of United Nations forces in the demilitarized zone; the presence of early warning stations; the peace agreement to state that the Gulf of Aqaba is an international waterway; after the peace agreement, the borders to be opened and a combined committee formed to supervise its implementation.

Mr Sarkis withdraws threat of resignation

Beirut, July 16.—Mr Elias Sarkis, the President of Lebanon, in withdrawing his threat to resign, has set the stage for a decisive showdown with the country's powerful private armies.

Announcing his decision to remain in office last night, Mr Sarkis said that he could be ousted by a coup d'état as long as hundreds of thousands of people continued to possess weapons.

He said there was no immediate solution to this problem, but that in the meantime the Government must eliminate all armed manifestations "by building a strong regular army through compulsory military service."

The President's tough-

Some commentators have seen these proposals as offering at least the subject matter for practical negotiation. It has been noted that in recent months, Mr Sadat has been showing an increasingly realistic concern for Israel's security needs.

In spite of the lack of optimism about the tripartite conference, Egyptian officials believe that the renewed momentum in the peace process will demonstrate to the world the intransigence of Mr Begin. The Israeli Prime Minister, Mr Menachem Begin, has been making much of reports from Jerusalem of his increasing political isolation.

Egyptian motives for agreeing so readily to attend the conference, despite the apparent lack of moderation in Israel's position, were well summed up in a recent article in Al Arabi.

It said: "Egypt has no objection to participating in any attempt in the direction of peace even though its chances might be frail. Such an attempt would only add further clarity to Egypt's position and expose Israel's even more."

By going to London we are thus killing two birds with one stone. We are increasing the support of our position and increasing their trust in our intentions, while on the other side, we are increasing those who oppose Israel's position and policy and who mistrust its intentions."

At every level of the Egyptian administration, high hopes are being placed on the willingness of the American Government to exert diplomatic pressure on the Israelis. Today Mr Kamel has another meeting with the American Ambassador in Cairo, Mr Hermann Eilts, who has played an important role in setting up the tripartite talks.

worded speech was bitterly attacked by the leader of the country's right-wing militia, who said the Government was outmoded and must be changed.

Mr Bashir Gemayel, overall commander of about 60,000 rightist gunmen, rejected Mr Sarkis's continued reliance on a Syrian-dominated Arab peace-keeping force and said the Syrians must leave Lebanon immediately.

The President announced his intention to resign on July 6 after more than 200 people were killed in a savage five-day battle.

In his speech to the nation last night, he said he had changed his mind in response to local and international pressure.—Reuter.

Mr Begin briefed on Sadat plan

From Michael Kuiper
Jerusalem, July 16

Mr Ezer Weizman, the Israeli Minister of Defence, appeared to be in an angry mood today after briefing the Cabinet on his talks in Austria on Thursday with President Anwar Sadat of Egypt.

The Cabinet announced that it would discuss the Egyptian proposals and take a decision at its regular meeting next Sunday. Some unofficial reports suggest that Mr Weizman found "improvements" in Mr Sadat's position. Others talk of "some dramatic developments" and a softening of previous demands for unconditional Israeli withdrawals.

The correspondent of the Jerusalem Post suggested that Mr Sadat had appealed to Mr Menachem Begin, the Israeli Prime Minister, in outline the political borders he envisaged for Israel along the West Bank and that he had offered to accept "reasonable" modifications in the 1967 frontiers.

The newspaper maintained that Mr Sadat had suggested that Israel should abolish its military government in the occupied areas to allow both Egypt and Jordan to negotiate the duration of Israel's military presence there, and that he would be prepared to negotiate a parallel Egyptian-Israeli agreement over Sinai, including Israel's demand to maintain settlements and air bases there.

It was not immediately clear what had caused Mr Weizman's apparent anger after the Cabinet session. He accepted an invitation to appear later before the Knesset foreign affairs and security committee, but declined to brief it on his Austrian talks as the matter was still under Cabinet discussion. He suggested that the committee should request a briefing from Mr Begin.

Feelings are running high in the Government over the role the Opposition is appearing to play in the peace negotiating process. It has been reported from Ismailia that President Sadat is planning another meeting with Israeli Labour Party leaders at the end of the month.

The independent newspaper *Ma'ariv* said that Mr Sadat's efforts to open a second dimension of discourse with Israel via the Labour Party should be re-evaluated.

There is suspicion here also at Mr Sadat's dealing directly with Mr Weizman rather than Mr Begin.

The Cabinet said in a statement after today's meeting that it would continue to conduct negotiations with Egypt, and that the discussions of the political and military committees should be resumed.

Mr Moshe Dayan, the Israeli Foreign Minister, is to fly tomorrow to London to meet his Egyptian and United States counterparts.

Mr Davies clarifies policy on sanctions

By Fred Emery
Political Editor

The Conservative shadow cabinet's disagreement with those who seek an immediate lifting of sanctions against Rhodesia is conveyed today in a circular letter sent out by Mr John Davies, Conservative chief spokesman on foreign affairs.

Mr Davies reiterates his view that in the gathering crisis "Britain should instead give 'substantial assistance' in Salisbury to enable all-party elections to be held by the end of the year. Once they had taken place in 'fair and free conditions' lifting sanctions should be the 'clear objective of all'."

Mr Davies made it clear to me yesterday that given the restiveness among the backbenchers—more than 80 are demanding the immediate lifting of sanctions—he needed to emphasize the difference between his policy and the Government's. Mr Davies said it was a "travesty of our position" for Lord Gonsky to suggest for the Government in the Lords last week that the Conservatives now believed that Rhodesia's elections could not be held.

However, in a circular reply to several hundred party members who had written to him about his recent trip to Rhodesia and Zambia, Mr Davies did not sound hopeful.

"There is still a slight chance of recovering this unenviable situation, but it requires firm and decisive action by the British Government, if possible in concert with the Americans." The prospect of reconciling the differences between the Conservative and Labour parties is "a far more difficult task."

Part of Mr Davies' problem with his own MPs—the signatories of the Commons motion calling for immediate lifting of sanctions include one from the Conservative benches.

Mr Winston Churchill, and two of Mr Thatcher's advisers, Mr George Gardiner and Mr Geoffrey Partee—is to bring home the stark realities a new Conservative Government would face if

elected in October. It could not call for unilateral lifting of United Nations sanctions, and it would be faced with the prospect of making the security situation worse.

Mr Davies says in his letter: "The problem of sanctions is a severe one, they are undoubtedly harming the country and reducing its ability to do so."

"Their removal at this stage would, however, in my judgment, inhibit any prospect of reconciliation between the conflicting parties. Moreover, it could only serve as the prelude to a further escalation of terrorism, to make more difficult the prospect of an election and to accentuate divisions within the country and outside it."

Mr Davies' conclusion from his visit is that the position has "reached a point of crisis" and that a "much more decisive action than has hitherto been deployed by the British and American Governments" is needed.

He goes on: "The result has been a 'progressive' lack of confidence in Rhodesia itself in an ultimate solution; a steep decline in the Rhodesian economy; a horrifying increase in acts of violence; an finally a continuing drain away from the country of the European element, upon which at present the future prosperity of the country depends."

"The action needed is, therefore, first, to install a continuous high grade mission in Salisbury headed by a British personality of unquestionable prestige, and to make this mission not only to act as a channel of communication but to offer substantial assistance in the country itself."

Mr Davies' plan is to send a mission to Salisbury to act as a channel of communication but to offer substantial assistance in the country itself. The mission would be headed by a British personality of unquestionable prestige, and would be made up of a number of experts in various fields.

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Soviet envoy 'spread coup plot rumour' in Zambia

From Our Correspondent
Lusaka, July 16

President Kenneth Kaunda of Zambia seriously considered expelling Dr Vasily Solodovnikov, the Soviet Ambassador to his country, after the diplomat started false rumours of an impending military coup, according to informed sources here.

The Soviet envoy was apparently urged to force Dr Kaunda to cancel a trip to London and the United States in May.

Shortly before Dr Kaunda left for London, Dr Solodovnikov—a former head of the Africa Institute in Moscow—paid him a visit and said that "present conditions" made it "unwise" for him to leave the country.

He implied strongly that he had information of a plot by the military to stage a coup in his absence. To add credibility to the warning, he made sure President Kaunda heard the rumour from a second direction—the source said Cuban military advisers training guerrillas of Mr Joshua Nkomo's wing of the Patriotic Front in Zambia passed word of the alleged coup plan to the Rhodesian nationalists.

With a heavy stake in Dr Kaunda's continued political survival since he provides them with bases and political support, Mr Nkomo's men immediately advised the President's staff of what they had heard.

Dr Kaunda is said to have been livid when he learnt that the Soviet Ambassador had manufactured the coup rumour in the hope of aborting his London and Washington talks.

According to the source, the Zambian President considered ordering Dr Solodovnikov to go on leave and return, but faced with a warning on his south-eastern border, he could not afford such an open split with Moscow.

Zambia's interests would all be served by the suggestion that he be aroused should he be the Soviet Ambassador in the wake of gifts of millions of dollars in foreign aid from the West.

Political observers here generally discount any immediate danger of a coup against Dr Kaunda, although most of the text book elements for such a move exist—a crumbling economy, a dissatisfied electorate and a frustrated corps of young officers.

Reporter's arrest ordered for contempt of court

Hackensack, New Jersey, July 16.—A judge has ordered the arrest of a reporter who failed to obey a court order to surrender his notes on a series of articles.

Judge Theodore Trautwein issued the warrant yesterday when Myron Farber of the New York Times did not appear in a New Jersey court in answer to contempt of court charges.

Mr Farber had been ordered to turn over his notes on the case of Dr Mario Jascavich, a surgeon accused of killing five patients in 1965 and 1966 with the rare drug curare.

The New York Times, which was also charged with contempt, entered a not guilty plea.

Dr Jascavich's lawyers have claimed that Mr Farber's notes are necessary for questioning a prosecution witness, Mr Eugene Scheiman, representing The New York Times, argued that the surrender of the notes would breach a reporter's privilege and would contravene the first amendment to the Constitution, which guarantees the right of a free press.—Reuter.

President Jayewardene is reported to have told his ministers that he is determined to have a free and fair settlement of the minority problem.

The new constitution provides among other things for fundamental rights to be enforceable by courts and for

Peking seems to soften its stand on Taiwan

From David Bonavia
Hongkong, July 15

The American State Department is understood to be studying the implications of statements made recently by Mr Teng and Mr Pao, Chinese Foreign Ministers, suggesting increased flexibility over the Taiwan problem.

Mr Lester Wolf, a United States congressman, repeated to American diplomats on talks he and his delegation had recently with Mr Teng and other senior Chinese officials. He said that the word "new realism" on the Chinese side was a "new realism" on the Chinese side.

The Chinese leaders volunteered the view that the Communist Party and the Kuomintang (the Chinese Nationalist Government) had cooperated on recent occasions in Peking and could do so again.

It was seen as an indication that Peking would be interested in opening direct talks with the Taiwan Government headed by President Chiang.

Mr Wolff attributed the Chinese attitude to a realization that the Soviet Union's new Vietnam presented great threats to China's security.

China's basic position on Taiwan remained unchanged. The Chinese had expressed opposition to further American military aircraft flying over the island, saying that they would be harmful. They understood, however, the realities of America's relations with Taiwan.

China's insistence that United States should withdraw all its forces from Taiwan was seen as a demand for the Government to sever diplomatic relations with the island.

A negotiated solution between Peking and Taipei, it was said, would be a realistic step in the way of establishing full diplomatic relations between Peking and Washington.

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Prisoners of conscience



Soviet Union Father Boris Zalivako

By Clifford Longley
Father Boris Zalivako's case throws unusual light on the life of inmates of the Soviet penal system, and the authorities' reaction to it.

He was arrested on the Czechoslovak border in 1963, convicted of treason and sentenced to eight years' jail and five years' exile. He is now serving the exile.

According to Mr Yevgen Vagin, a Russian literary historian now in the West, Father Zalivako is one of the few Orthodox and Catholic priests who regularly celebrate church rites clandestinely with their fellow prisoners. Father Zalivako was caught doing so and punished by two years at the harsh Vladimir prison.

To escape detection, Mr Vagin says, he would celebrate Mass while walking alone surrounded by a screen of prisoners, who appeared from outside to be a group engaged in animated conversations.

Father Zalivako had no special training in theology, but was ordained by Bishop Veniamin, at that time Bishop of Cheboksary in Chuvashia.

After Father Zalivako was arrested, trying to leave the Soviet Union he was initially detained in a mental hospital. In an article in the latest edition of *Religion and Freedom*, a new independent British journal, Mr Vagin describes Father Zalivako's personal qualities.

"He is an exceptionally gentle man," he writes. "Although he never imposes his views on anyone, he is always surrounded by a group of numerous young people who are his flock and for whom he celebrates Mass in the camp."

"When he was arrested the authorities put pressure on Bishop Veniamin to suspend him a divinis. Veniamin not only refused to do this but sent Father Boris his personal blessing and today continues to give him moral support."

He told me that the turning point came for him in the autumn of 1973, when a delegation of foreign psychiatrists visited the Serbsky Institute and were shown falsified diagnoses. At about the same time he was called as an expert for visiting journalists of *Stern*, the West German magazine.

They were given a fabricated report on General Grigorenko. "I held the report in my hand," he said, "and I could see that it was full of clichés which anyone could have copied out of a psychiatric text book. I realized that something rotten was going on."

Planning his defection with care, he avoided all contacts with dissidents and concentrated on rising to become head of department so that he could get a trip to the West. Although young (he was born in 1943) he rose fast. "I understood quickly how the system works and which buttons to press," he said.

He sees the misuse of psychiatry as a logical development of the Russian system and the present system. For centuries Russians have been discouraged from pluralistic thinking. The methods of the KGB are the same as those of the nineteenth-century security services. Of course, strictly speaking, it is not thinking differently that is punished but acting differently, which is why the KGB is always looking for concrete acts such as currency offences to pin on dissidents. But forcing people to act differently from the way they think leads to neurosis. Certain parts of the intelligent-

Mrs Shcharansky pins hope on 'tough West'

From David Cross
Washington, July 16

Mrs Natalya Shcharansky, the wife of Anatoly Shcharansky, the imprisoned Soviet dissident, sat alone in her Washington hotel room yesterday wondering what she would do if Mr Walter Mondale, the American Vice-President, did in order to secure her husband's release who she meets him at the White House tomorrow.

The only thing she knows is that she will be free. She told *The Times* in an interview today. She firmly believes that more pressures such as moves to boycott the next Olympic Games in Moscow and cancellation of trade deals, should be exerted but at the same time she is acutely conscious that any such steps could conceivably delay her husband's release.

Between the telephone calls from friends and well-wishers all over the world, she said, she is acutely conscious that any such steps could conceivably delay her husband's release.

"You know," she said, "Anatoly told the court last week that he had refused to exchange his freedom for an agreement to leave the country. He said he would like to see his wife and children and to make public appeals, demonstrating, talking to people of influence and seeking their assistance."

This is her third long lobbying trip away from Jerusalem, where she lives with her husband, Mr Anatoly Shcharansky, émigré from the Soviet Union.

It was her brother who first became interested in the Jewish activist movement in Moscow much against her parents' wishes and it was only gradually that she became involved.

That was after her brother disappeared and she went down to the synagogue in Moscow to find out what had happened to him. She later transpired that Mikhail had been arrested.

It was October, 1972, and that day proved to be the turning point in her life. One of the people she spoke to was Anatoly Shcharansky.

Beirut, July 16.—The Soviet Union has ignored several American suggestions for an exchange to include Anatoly Shcharansky, American officials disclosed today. The United States put out a variety of feelers at different levels and we must do something serious about that. That is what Anatoly would want."

It worries her deeply that talk of tough countermeasures by Western governments could lead to a prolonged stay in Moscow for her husband. One of her friends told her yesterday that she must steel herself

to expect at least another two or three years.

"But I don't believe it will be so long," she insists as if still trying to persuade herself that this will be the case.

Her main source of comfort apart from God and her friends is the fact that she is a personal promise of help for her husband she has received during the past week from Mrs Rosalynn Carter, the President's wife, Mr Cyrus Vance, the Secretary of State, and Mr Andrew Young, the American Ambassador to the United Nations.

She knows that an East-West prisoner exchange involving her husband is under negotiation and has convinced herself that it will happen.

Since she herself left the Soviet Union on July 5, 1974, she has thought of her husband constantly. She thinks she wishes that it was like for him now. He must feel he is a hostage in terrorist hands, like a Jew sitting in Entebbe waiting with hope."

"I must help him now and yet I keep thinking about what the best way. One way of course is to attempt another making public appeals, demonstrating, talking to people of influence and seeking their assistance."

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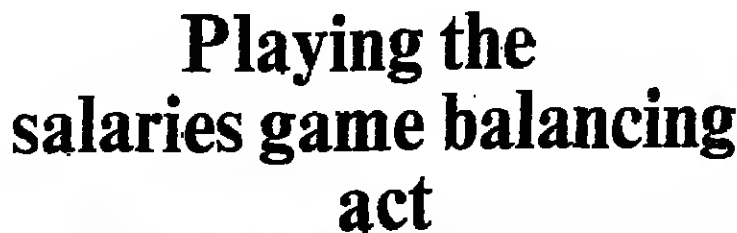
Russia's punitive use of psychiatry explained

By Richard Davy

Dr Yuri Novikov is a Russian psychiatrist who worked for six years in the Serbsky Institute, where many well-known political dissidents have been incarcerated.

He was not involved in their treatment, being in a different department, but as he gradually became aware of what was going on he began planning to reach the West. In June, 1977, he defected from a delegation attending a congress in Helsinki. Now he works as a psychiatrist in Hamburg.

Last week he visited



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David Young

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An experienced and capable person is required to give administrative and secretarial support to the Regional Scientific Officer for this large Health Service Region. Technical knowledge is not necessary, but the person appointed should be willing to learn and able to grasp sufficient of the broad principles and terminology to be able to interpret decisions, reports and other information received by the Regional Scientific Officer. Applicants must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

The salary scale for the post is £3,452-£4,421 plus £354 London Weighting p.a.

Application form and further particulars from Regional Personnel Officer (HQSO), North East Thames Regional Health Authority, 40 Eastbourne Terrace, Paddington, London W2 3QR. Tel: 01-262 8011 Ext. 143. Ref: 1641. Closing date: 24.7.78.

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Shorthand Secretary £3,250

To liaise with customers in writing/telephone and take dictation. Speeds 100/50. Sense of humour, flexibility and mature approach to work essential. Pleasant working conditions with opportunity to attend wine tastings. Preferred age 25-40. Would be a bonus if local. Hours 9.30-5.30, part-time considered. Ring Mrs Brown 870 2222.

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Bright young Secretary to Managing Director of Fine Arts Publishing. The job involves a wide range of clerical duties, including contact with literary agents and artists. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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£4,500 SEC./ADMIN.

For Director of London Fashion Group. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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Receptionist in work in the heart of Mayfair. Able to work with a variety of people. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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ALFRED MARKS STAFF BUREAU

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Chairman of Fund-raising committee. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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Shorthand desirable but not essential. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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NO FIGURE WORK

Involved working for Company Secretaries. Must have good shorthand and typing skills, a knowledge of filing procedures and retrieval of papers, and the ability to produce notes of meetings and arrange follow-up action.

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Require very competent person to run busy, friendly office. Insurance, finance, and general enquiries. Must have good shorthand and typing skills. Salary negotiable. 9.30-5.30 p.m. Monday-Friday. Telephone: 333 1476

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The new manager of a sales force in one of the largest firms in the world is looking for a young person to fill the post of Secretary to the Managing Director. The ideal candidate will be a woman, aged 25-35, with a good knowledge of English and French, a good shorthand and typing ability, and a knowledge of or an aptitude for simple bookkeeping. This is a full-time position, 9.30-5.30 p.m. Monday-Friday. The successful candidate could develop into more responsible duties. As is to be expected, we are prepared to negotiate an excellent salary around £4,500.

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ONE OR TWO DAYS A WEEK SUIT YOU?

SECRETARIES, ALIENS, START NOW. Tel: 01-580 8256/7/8/9

Home front has still something to crow about as 'Diamond' looms

[illegible]

3 small rosters in a tumbling act, but the only one to be so astronomically high as California had not been their only lot the afternoon when troupe leader Bruce Hoyer, Olympic year-old starter, Olympics Footman Maiden Stakes.

At Ayer's this afternoon Cecil's vase won the Moss, and confidently the Navy Consort in the Elizabeth Trophy (3.30). The vase was the only one to be but after Arapahoe's easy of Assured in Chester's S. Smokes on Saturday, Le was placed with only 88 carry in this long-distance cap.

And finally Feir's handler, Michael Stoute, ca- tious to ride the crest, was by winning the Turf Maiden (3.0) at Ayer's. He was the only one to be a minor stake's (1.1) Leicester with Silley's (1.1).

Paul Cook gained his first consecutive success on Trium- phant yesterday but Ludwig Goebels-Erinnerungs at Troy was unplaced on Triumphant. He was the only one to be a minor stake's (1.1) Leicester with Silley's (1.1).

Paul Cook gained his first consecutive success on Trium- phant yesterday but Ludwig Goebels-Erinnerungs at Troy was unplaced on Triumphant. He was the only one to be a minor stake's (1.1) Leicester with Silley's (1.1).

Bruce Raymond, on Mar-
and William Carson, on Car-
France, finished fourth and
of the 13 runners in the
risches Zuchtrennen at Me-
jus, well ridden by Otto G-
was a comfortable winner a
of 19-5.

STATE OF GOING (official)
Good to firm Leicester: Good.
Good to firm Tumeraw: Redcat
Brawl: course, a
firm; going CRUISE, 1100.

8-8 M. Wighan
 8-8 S. P.
 8-8 C. Eccles
 8-8 E. A.
 the Jet, 3-9 Vic Fine Homes, 10-1 Mally

(£1,620 : 5f)

1. T. Craig, 1-0-8 A. Mackie
 2. M. H. Emery, 1-8-12 M. B.
 3. Weymes, 1-8-10 E.
 4. Craig, 8-8-2 K. Lea
 5. Harry Smith, 1-8-2 J. Bloss
 6. Berry, 1-1-5 S. H.
 7. Cousins, 1-7-7 M. Wighan
 8. Trickett, 1-1-1 M.

Mills, Pricc. 0-2 Stanwell Stand. 8-1
 £125 (2-y-o: £1,101: 6f)
 Limes, 9-0 E. A.
 Mrs Smith, 4-0 M. Wigham
 Smith, 6-0 C. Old
 H., 6-0 E. H.
 Jerry, 9-0 N. R.
 Hunter, 7-0 M. Rob
 (H. 8-1) J. L.
 Quarrier, 0-1 Cree Lad. 10-1 Super S
 un.

Div I : £760 : 1¼m 22yds)

Dick, 4-4-8	C. Olliffe
Edwards, 4-4-8	S. H. U'Le
R. Williams, 4-4-8	S. H. U'Le
R. Williams, 4-5-3	R. St
Mason, 3-8-8	H. Ball
Reich, 3-8-8	H. W
Oliver, 3-8-8	H. W
Pat, 3-8-8	C. L
Strong, 3-8-8	C. L
W. Akhurst, 3-8-8	C. L
H. Price, 3-8-8	R. St
McCourt, 3-8-8	J. F
Green, 3-1-8	Lord
Green, 3-1-8 Umar, 10-1	Lord

9-0	P. C.
Hall, 9-0	R. Wea
9-0	N. Mo
9-0	M. Ke
9-0	M. Gree
9-0	R. S
9-0	J. F
9-0	P. Ed
A. Taylor, 8-11	C. WHU
W. Arthur, 8-11	C. Ran
L. Swift, 8-11	A. Cou
James, 8-11	
Arch, 8-11	
S. Supple, 8-11	

Way, 8-11	S. Sier
W. Dunlop, 8-11	D. Muddie
W. H. 8-11	B. Hadda
S. 8-11	V. Vailan
N. Wilmot, 8-11	A. Kibben
S. Superle, 8-11	T. Lal
me. 5-1	W. Thiel	E. Linn
Wyal, 12-1	Honing Kathien	13-1 My

PRIZE STAKES 1E568: 6f)

N. 1-8-1	N. Fr
4-9-4	Julie
4-8-8	Porton
III, 1-8-1	R. Sid
ungraded, 5-8-1	H. Margerides
un 4-8-1	S.

1. Taylor, 3-7-10
 2. Wilmer, 3-7-10
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 Miss A. Wilcox, 4-1
 Hon. 4-1
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 e. 8-8
 e. 4-1 Shiny Decade, 7-1 Man of the
 Fat. 14-1 Knit Edge, 20-1 others.

(£2,113: 1m 70yd)

ing	4-9-12	J. Math
h	4-8-12	J. E.
h	Married. 6-8-4	G. Sharr
g	5-8-5	A. Bo
g	C. R. Benstead. 6-8-5	N. R. Steinh
ush.	4-8-5	G. S
	5-1. Paddy's Luck. 13-2	Fearless La

v 11 L: £760: 1¼m 22yd)

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ll.	5-9-5	J. S
D.	5-9-5	A. Kimber
g	3-8-8	G. Stark

3-8-8 M. Campbell
 Jordan 5-8-R E. Elmer
 Jarvis 5-8-8 A. Smith
 Jones 5-8-8 S. Hill
 5-9-R N. Curran
 n. J-8-8 W. Neenness
 n. J-8-8 S. Allen
 n. J-8-8 G. Sax
 Strong 1-8-5 L. Packer
 5-8-3 H. Harlan
 (see 4.)
 1 others.
 Subul runner
 5-21 How-e Edward Evans Mv.

1.30: 1. *Alpen* (10-11); 2. *Geirlog* (7-4); 3. *Sandellia* (3-3) ran.

Ayr

1.50: 1. *Henrietta Belle* (7-4); 2. *Vicore or Less* (3-4); 3. *Callie* (15-1) 7 ran.

2.0: 1. *Musical Prince* (11-10) *Gains* (4-1); 3. *Wickwell* (4-4) ran.

2.50: 1. *Steel City* (3-1) 1st *Smoky Bear* (9-2); 3. *Dogal* (6-8) 3rd.

3.00: 1. *Good Form* (7-2); 2. *Black* (11-1) 1st *Wesley* (10-1) 2nd.

19-21, 7 ran.
3:50, 1-5. Border Squaw 14-1
Timonci 15-4 lav.; 5. Just
18-11, 10 ran.
3:01, 1-3. Gaelic Affair 111-3
Pretty Good 17-4 lav.; 3. Sinal
10-11, 6 ran.
4:50, 7-1. Ellitordale 13-4
Snow Chief 17-4; 3. Viceroy 12
6 ran.



90 years on

In 1888 we introduced lamp oil, Britain's first available cheap source of light.

Then, we invented the first kerbside pump.

We invented Britain's first automatic pump.

We supplied oil to Britain's first oil fuelled dreadnought.

We built Britain's biggest refinery.

We revolutionised refining. We developed synthetic rubber.

We produced the 100 octane aviation spirit used by the Spitfire.

We invented the world's first multigrade motor oil.

We supply the only approved oil for Concorde's generators.

We have invested £1,000 million in the search for North Sea Oil.

We have been involved in just about every social change in Britain since 1888.

This year is our ninetieth birthday.

Ninety years of service to Britain.

And we want to wish *you*

MANY HAPPY RETURNS...TO ESSO.



The world's leading oil company

CBI says union plans for shorter working week would lift prices

By Patricia Tiddell

A cut in the present 40-hour week for manual workers would lead to higher prices, but create few new jobs, according to calculations contained in a Confederation of British Industry memorandum.

Using Department of Employment estimates for labour cost increases, the CBI estimates that a reduction to a 38-hour week could mean a rise in retail prices of between 2 and 2.5 per cent by the end of next year.

A 35-hour week, it estimates, could mean an extra 5 to 7 per cent on retail prices. The employers' initial opposition to trade union proposals for a reduction in hours is reinforced by its more detailed scrutiny of the figures.

The CBI challenges the estimates contained in the 1978 TUC Economic Review as being applied to industry overall. It argues that the impact for manufacturing employers will be much higher than the 5 to 7 per cent rise in labour costs which the TUC estimates would result from a reduction to a 35-hour week.

Engineering employers, for example, say that a 38-hour week would add between 5.5 per cent and 7.5 per cent to their labour costs and a 35-hour week between 14 and 20 per cent. This is because the actual hours worked are higher and the basic week is longer

than the average for the economy as a whole.

Also, the production processes used in manufacturing limit the ways in which the lost time can be made up.

Since there is still demand to raise real earnings, employers believe they would face increased pressure from employees for added overtime if normal hours were cut. In the period since 1950, the actual hours worked by male manual workers (the category most affected) have only fallen by just over 50 per cent of the reduction in normal hours.

A further reduction in hours would mean that time previously paid for at normal rates would attract premium payments. In engineering, a reduction in the normal day from eight to seven hours would mean that a man working 10 hours would receive 11½ hours pay.

Employers are also concerned about a chain reaction spreading to non-manual employees. The CBI argues that a shorter week for manual workers would result in pressure from white collar and some shift workers, who already work less than 40 hours.

To recent years, it says, when the hours of manual employees have been reduced, on average about half of this reduction has also been conceded to white collar and other non-manual employees.

Directors' committee meets over worker participation

By Our Management Correspondent

Implications of the Government's proposals for worker participation in company management have been discussed at a meeting of the Institute of Directors' Policy and Executive Committee.

The discussions follow recent meetings between an Institute delegation led by Lord Erroll, President, Mr. Edmund Dell, Secretary of State for Trade, Mr. Albert Booth, Secretary of State for Employment and other ministers, in preparation for a formal submission on the Government's White Paper.

The directors are strongly opposed to the compulsory introduction of trade union nominated representatives to company boards.

In an open letter to members of parliament earlier this month, Mr. Ian Hildreth, director general of the Institute, described the proposals as "the hijacking of the nation's wealth-making vehicle by the Trade Union movement."

He gave warning that directors selected as representatives of particular interest groups would simply convert the Board from a united team into a "meeting place for opposing teams representing conflicting interests."

But while the Institute is opposed to the element of compulsion contained in the Government's proposals, it does not object to the idea of enabling legislation. This is seen as allowing scope for negotiation between the two sides.

The Institute is also opposed to the introduction of two-tier boards. The White Paper recommended that companies should be allowed (but not compelled) to set up separate boards, one dealing with policy and the other with management.

Other topics discussed during the all-day meeting of the Institute's committee held at Marlborough House, included the next phase of incomes policy and taxation.



Tower block award: Mr. Robin Leigh-Pemberton, chairman of National Westminster Bank, stands against the background of the group's tower block in the City of London, which has won the 1978 Design Award of the European Convention for Constructional Steelwork. The tower has a central core containing lifts and services surrounded by three linked office wings supported by reinforced concrete cantilevers with the office floors supported by steel columns. Stainless steel is used in the facing of the wings. The ECCS, which represents the steel fabricators of 14 countries, will present its 1978 award made for a scheme of outstanding merit, in Helsinki in September.

Russians held up in global weather experiment Europe ahead with satellites plan

Work on a forthcoming joint global weather satellite experiment has been disclosed the surprising fact that, in one area of spacecraft operations at least, Europe is ahead of the Soviet Union. This is in the complicated ground processing of the vast amount of information that has to be received from the satellite, and, virtually instantaneously, analysed, corrected, refined and passed on to world meteorological stations.

A one-year global weather experiment is planned to begin next December 1. It will include the use of five "geostationary" satellites, hanging apparently motionless at intervals above the equator as their orbital speed matches the rotation of the earth. The original plan was for two satellites to come from the United States, one from Japan, one from the Soviet Union and

DoI boosts drive for more foreign contracts

By Peter Hill

Britain's attempts to win major overseas industrial contracts are being strengthened by the appointment of a new industrial adviser to the Department of Trade.

Mr. Victor Robinson, a director of Davy International Projects, is joining the department on secondment, succeeding Mr. Stephen Baker, now managing director of British Electricity International.

Much of Mr. Robinson's career was spent with the Simon Carves company, and he subsequently worked as managing director for a subsidiary of the Turfitt Corporation.

Industrial advisers at the department provide a bridge between industry and Whitehall, and give advice to ministers and officials on likely industry attitudes towards various proposals.

Mr. Robinson is expected to work closely with such bodies as the British Overseas Trade Board and the Overseas Projects Board and with several of the working parties established as part of the Government's industrial strategy.

The advisers also accompany ministers and industrialists on overseas visits and Mr. Robinson is expected to play a major role in coordinating Britain's efforts in negotiations for large overseas projects.

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one (Meteosat, described in Business News on July 14) from Europe. Now it is known that the Soviet satellite will not be available in time, apparently because of problems in the ground data-processing system.

Europe's Meteosat is controlled from the European Space Operations Centre at Darmstadt in Germany, where a 53m computer complex based on two British ICL 2980 large mainframe computers (linked to 13 smaller computers and processors) is used to process the data from the satellite.

This processing includes reception of visible, infra-red and water-vapour images (represented by about 400m binary digits or bits of data) every 30 minutes; data analysis, correction and refining; retransmission of the refined data back to the satellite for dissemination to users' ground stations in various countries; and extraction of meteorological information.

Now the plan is for the Americans to supply a spare weather satellite already in orbit to move it eastwards along the equator and hand over control to Darmstadt; and for the European centre to continue to move the craft eastwards into the planned Soviet satellite's position over the Indian Ocean at 60° east.

Darmstadt will then control and process data from both Meteosat (at 0° longitude) and the Indian Ocean satellite. (Images from a westward American satellite are already received in the European centre.)

Mr. John Morgan, a senior meteorologist with the European Space Agency, said last week that a user would then be able to receive from Meteosat a picture covering the weather from the Bay of Bengal to the west coast of the United States.

Kenneth Owen Technology Correspondent

LETTERS TO THE EDITOR

Reducing the working week

From the General Secretary of the Post Office Engineering Union

Sir,—Later this month the Government will be presenting their ideas about pay policy after August 1. One issue which should be in their minds is the growing demand for reductions in the working week.

The Post Office Engineering Union has been pursuing a claim for a shorter working week for seven years. Failure to resolve the claim has resulted not only from Post Office resistance but also from the insoluble difficulties involved in settling the claim under various pay policies during that period.

Our inability to make progress has resulted in a campaign of industrial action which is increasingly disruptive to the telecommunications service and its customers.

Under present policies the only options available to unions who seek a reduction in hours are (a) to set the cost of the reduction against the wage settlement or

(b) to negotiate a self-financing productivity deal for hours. (a) is, of course, unacceptable to our members given the restrictions in the overall size of settlements. However, the concept of a self-financing productivity deal also raises problems.

Since one of the aims of the trade union movement in seeking shorter hours is a measure of job creation, paying for reductions in hours by increased productivity is plainly inappropriate in this context.

In addition, the Government's criteria, particularly as they are applied in the public

sector, require that productivity changes are worth more than the cost of any hours reduction in order to provide a share of savings for the consumer and the industry itself.

Another problem is the requirement of the Government criteria that only improvements already achieved can be paid for. This concept is relatively easy to apply to productivity deals providing cash payments, but it has obvious problems in relation to reduction in hours.

Variations in working hours according to achieved productivity improvements would pose difficulties not only for employees but also for employers.

It is also, of course, far more difficult to establish the cost in output terms of shorter hours than it is to apply a cash value to changes in working practice.

To sum up, the self-financing productivity criteria were established with cash benefits in mind. These criteria are inappropriate to attempts to reach agreements on reductions in hours.

It is undoubtedly the case that a reduction in the hours of the working week for manual workers offers one of the few available prospects for the long-term creation of additional jobs through work sharing.

The major objection to any relaxation of pay policy in respect of reductions in the working week is the fact that the United Kingdom moves faster in cutting hours than do our major competitors, United Kingdom labour costs will move out of line. However, the move towards a reduction in the working week is gaining so increased momentum throughout Europe. The problem of ensuring that United

Kingdom labour costs do not rise disproportionately quickly is therefore above all a matter of timing.

In the context of the increasingly pessimistic outlook for the creation of new jobs through conventional means there is surely a case for the Government to take steps to promote work sharing by providing a subsidy to employers who recruit extra workers as a result of negotiating a reduction in the working week.

If the Government is not prepared to take this course of action then there are a number of alternative possibilities for allowing a measure of work sharing through a reduction in the working week without too rapid an increase in labour costs.

If the Government fails in any way to meet the aspiration of trade unionists to achieve work sharing through reductions in hours two consequences are inevitable. First, the hostility of trade unionists towards the inflexibility of government policy will increase. Second, other unions will become involved like the POEU in long and damaging disputes in pursuit of a shorter working week. It is essential that the Government recognize that shorter hours have a part to play in solving the unemployment problem and in giving workers a share in the benefits of new technology in the form of increased leisure.

Yours sincerely, BRYAN STANLEY, General Secretary, Post Office Engineering Union, Greyhound House, 150 Brunswick Road, Ealing, London W5 1AW.

Giving 'merit' to coal-fired power stations

From Mr. Don King

What is the meaning of merit? When the Energy Minister, Tony Benn, spoke to the miners' conference in Torquay last week, he suggested that a change in the merit order of the Central Electricity Generating Board's power plants might be altered so as to concentrate generation more on the coal-fired stations.

The merit order, as I understand it, refers to the ranking of power stations by unit running costs (and other technical restrictions) in the case of out-of-plant. A decision to raise the position of coal-fired plant in this ranking must impose a cost penalty on the CEBG, and thus on the consumer.

If the Government feels that there is a strong case based on long-run energy policy and

the balance of payments to pressurise the CEBG to alter its operational behaviour, then the Government should issue a directive to this effect to the CEBG, and pay the appropriate level of compensation. The public would then be aware of the cost of such decisions and would be more likely to support them through the taxation system rather than have them imposed unfairly on the consumer of electricity. There is a parallel here with the Drax "B" decision last year.

Yours faithfully, DON KING, Chairman, The London Electricity Consultative Council, Room 159, 4 Broad Street Place, Blomfield Street, London EC2M, July 13.

Tax relief on travel

From Mr. A. F. Richardson

Sir,—Sir William Pile in his letter published on July 13, sets out the tax law on travelling in the performance of duties admirably. However, it is not the law as it is, but as it should be.

In effect, if an employee does not have a fixed place of work he is allowed tax relief on the cost of travelling from his home to wherever he may be working on any given day. Where a similar man works at a fixed place he is not allowed tax relief on his travelling expenses.

What can be the justification for this differentiation? Yours faithfully, A. F. RICHARDSON, 8 Tudor Close, Chesham, Bucks, July 13.

Hambros 1978

Mr. Jocelyn Hambro, M.C., reports to shareholders.

The year under review, for much the greater part of the Group's activities, has been one of profitable growth. However, as is well known, the shipping industry continues to experience extremely depressed conditions and the consequences of these difficulties continue to affect us.

Results and shipping
Operating profits for the year from merchant banking are at levels lower than last year—a disclosed operating result of £4,994,000 against £5,456,000. Investment gains and extraordinary items have, however, increased the total disclosed profit to £28,864,000, which covers the maximum permitted dividends 4.3 times.

The period covered by the present arrangements with the Norwegian Guarantee Institute ends in December 1979/March 1980, subject to interim review. The Institute is now reviewing its existing commitments and is seeking to agree arrangements which would prolong this period. These negotiations, in which we are co-operating together with the other major creditors of the relevant companies, have not been concluded. Accordingly, in the financial year upon which we are reporting, we have made major provisions against the relevant debts. These provisions we consider to be realistic in all the circumstances, and at present-day shipping values.

Growth and achievement

In other respects our merchant banking business has had a highly successful year in that:

- Acceptances have continued to grow.
- We are net providers to the inter-bank markets.
- We have increased our activity in specialist project finance.
- Our Channel Islands' banks recorded further growth in business and profits.
- Our leasing business has passed the figure of £150 million assets under management.
- The international banking division, which is primarily involved in the euro-currency syndicated loan and underwriting business, has maintained a leading position in the market.
- The corporate finance division has made a substantial contribution.
- Our offices in New York, Hong Kong, Sydney and several European cities have strongly supported both our international issue business and corporate finance activities.
- Funds under management by the investment division exceeded £1 billion.
- Our diamond broking and trading business produced their best results to date.

Copies of the Annual Report can be obtained from The Secretary, Hambros Limited, 41 Bishopsgate, London EC2P 2AA.

Consolidated Financial Statement at 31st March 1978

	1978	1977
Share capital and reserves	64,948,000	58,147,000
Minority interest	1,562,000	4,691,000
Loan capital	49,412,000	56,597,000
	115,912,000	119,435,000
Current, deposit and other accounts	1,048,347,000	967,740,000
Acceptances for customers	257,960,000	225,962,000
Proposed dividends	1,251,000	1,233,000
	£1,423,470,000	£1,313,360,000
Balances with bankers and money at call	221,352,000	175,197,000
Bank certificates of deposit and bills discounted	12,044,000	10,619,000
Term loans to banks and local authorities	344,218,000	242,232,000
Debt securities	15,258,000	27,478,000
Trading stocks	504,122,000	563,391,000
Advances and other accounts	257,960,000	225,962,000
Customer's liabilities for acceptances	59,427,000	58,628,000
Investments	£1,423,470,000	£1,313,360,000
Profit for the year from operations, after tax	4,994,000	5,456,000
Investment gains and extraordinary items	3,870,000	2,585,000
Profit after investment gains and extraordinary items	8,864,000	8,041,000
Dividends paid and proposed	2,063,000	1,853,000

Our two principal associated companies, Berkeley Hambro Property Company Limited and Hambro Life Assurance Limited, both increased their contribution to our earnings.

New and developing business

We have continued to develop new activities, many of them overseas, to the benefit of future years.

- We have established ourselves in Australia as Hambro Australia Limited.
- Hambro Pacific in Hong Kong has exceeded expectations, both in performance and results.
- We have opened a representative office for Canada located in Toronto and joined the Canadian Imperial Bank of Commerce in forming a United Kingdom company, CIBC Limited, to carry on international investment banking.
- Our New York office has introduced a considerable amount of banking and corporate finance business during the year. Our association with the Prudential Insurance Company of America remains of great value.
- We have extended our European department and strengthened our involvement with the EEC countries as well as maintaining our long-standing association with Scandinavia.



Hope of finding peace formula at Linwood plant

By Clifford Webb

There were some hopes over the weekend that the deadlocked strike at Chrysler's Linwood plant may be broken by the resumption of negotiations during the next few days.

Although Linwood began its three weeks' holiday shutdown on Thursday, both sides are holding themselves available for further talks. With £20m worth of cars already lost by the stoppage, and 4,000 workers laid off, the threat to the company's recovery plans is now so serious that neither side can afford to sit out the next three weeks.

The hope is that resumed negotiations, possibly assisted for a further period by the Advisory Conciliation and Arbitration Service, will produce a peace formula in time to enable full resumption when the holiday ends on August 8.

With the start of the August boom sales period only a fortnight away, Chrysler believes it has sufficient cars already in stock to meet the forecast record demand.

Steelmen protest over mortgages

Steelworkers in south Wales are being discriminated against by building societies because of the uncertainty over their jobs, according to Mr. Roy Hughes, the Labour MP for Newport.

He has written to the Building Societies Association demanding an investigation into complaints from steelworkers who want to buy their own homes in Newport near the multi-million pound works at Llanwern.

Business appointments

Imperial Group makes changes at the top

Mr. C. R. Cory, marketing director of W.D. & H.O. Wills, is to succeed Mr. J. E. H. Wilton as managing director on November 1. Mr. Wilton is to give up his duties as chairman and managing director to take on the new post of group marketing adviser of Imperial Group. He will remain a member of the group board but will cease to be a director of Imperial Tobacco. Mr. Cory will join the board of Imperial Tobacco from the same date the positions of chairman of W.D. & H.O. Wills and of director of Imperial Tobacco will lapse. Mr. R. A. Garrett, at present chairman of Player and of Imperial Tobacco, will consequently give up the former title. Mr. J. E. H. Wilton has joined the board of Morgan Crucible.

Mr. D. C. Leonard is joining the board of Woodhouse & Risso as finance director from August 1. Mr. C. G. K. Smith is now on the board of National Bank of Australia.

Small is beautiful in Colchester

Industry in the regions

An unlikely combination of age, roses and oysters forged a reputation for Colchester. But today it has an even more valuable reputation as one of the most sought-after industrial centres in East Anglia.

Its easy links with the east coast ports of Harwich and Felixstowe (and through them the other EEC countries) as well as Looe and the Midlands make it an ideal location for industrialists.

However, government restrictions on releasing land for industry have forced companies to join an ever lengthening waiting list.

The north Essex town, one of Britain's oldest, has numerous conservation areas, which have hindered industrial development.

Mr. Tom Souter, Colchester's planning officer, said: "If a company came to me now and asked to build a big unit in the town I would have to say 'no'. There is just no land available. During the 1960s the town was starved of new industry because of legislation and it is only now just catching up on itself."

Within the last decade the population has increased by 20,000 to more than 80,000, and a mini-town will see this figure increase by 10,000 over the next 10 years. To meet this influx the council is developing a 140-acre industrial estate. This will be the town's fifth estate and the second to be developed by the local authorities.

These estates circle the town to provide greater dispersion of work areas.

Selling Colchester has never been a problem. The A12 trunk road, which shares the town links to East Anglia to London 60 miles away. The M11 is only an hour's drive to the west, and new roads will soon

ensure first class links to the ports.

Colchester's industrial wealth lies in its long-established manufacturing and service industries. Major engineering, paper, printing and publishing are its strongholds.

General Electric is by far the biggest employer. It owns Paxman Diesels—manufacturers of the engines which power Britain's new high speed trains—and Woods, the big industrial fan makers. The 600 Group are not far behind. Their lathe company is one of the largest manufacturers of centre lathes in the world.

Hawker Siddeley has a large factory manufacturing water filtration and treatment plant for power, industrial and municipal projects.

But in planning for the future, Colchester is looking not to big multi-outlet companies but to smaller engineering and office development. In ten years, office space has doubled to well over one million square feet.

The Royal London Mutual Insurance Society has recently shifted its headquarters to the town, and other companies are expected to follow. The incentives for companies moving out of London are cheap rents, rates and clerical salaries.

Employers benefit through cheaper housing, lower living costs and a wide variety of schools. Colchester also has a shopping centre that its planners believe unrivalled in north-east Essex, easy access to

Clacton and the coast and the outstanding natural beauty of nearby "Coastal Country".

Factories already established in the town include manufacturers of computers, noise control equipment, printed circuits, power tools, asphalt and plastics. The biggest growth has been in the engineering and transport industries but the council is now trying to halt the expansion of warehouses in favour of more labour intensive development.

Government regional policy attempts to steer major population and employment growth to high unemployment areas. Colchester, with a 4.9 per cent unemployment rate, is well below the national average and is therefore concentrating on attracting smaller operations.

The town's Chamber of Trade has been "selling" Colchester abroad, especially in Holland. And a committee of senior businessmen from both sides of the North Sea has been established to launch an investment exchange scheme.

Mr. G. Martin, director and secretary of the trade chamber, believes much of Colchester's recent industrial success is due to their close link with the planners. "Together we have encouraged the growth of businesses in the town. I think we have a very good partnership."

Too rapid growth in industry and offices could bring serious traffic problems and put pressure on the housing market and on services such as schools and hospitals. Pressure on land for expansion could destroy the historic and architectural beauty of the town.

But limited growth would allow the town to prosper without creating insurmountable difficulties.

Richard Kay

SCOTTISH WIDOWS HEAD OFFICE EXECUTIVE

The Directors of the Scottish Widows' Fund and Life Assurance Society announce that Mr. G. A. Kingsnorth FIA, the General Manager and Actuary, will retire on 30 September 1978. The Directors have made the following appointments as from 1 October 1978. Mr. C. M. Cavaye MA FFA to be General Manager and Actuary. Mr. J. Elder FFA to be Deputy General Manager and Secretary.

BY THE FINANCIAL EDITOR

Banks in a period of change

structural change in the joint stock banks that were given their momentum by introduction of the new free banking of Competition and Credit Control in 1971. And that is still continuing apace. And that is something of an act of faith in industrial management.

side of this has gone along smoothly successfully, namely the expansion of banking activities such as hire purchase, insurance broking, and, over the past year or so, strong growth in the banking side has kept up the momentum of parent banks at a time when banking has been thin.

to a point too the move into international banking has been a boon when the economy has been held back. But it is from all the activity going on in the national sphere that the clearers now major part of their future overseas, domestic banking, as again underlined by the reintroduction of the control, growth, increasing at the back and call for government.

Westminster's recently announced to buy a 75 per cent stake in a New bank shows how quickly medium term have to be changed since not only this altered the future geographical of the bank but raised questions of the balance sheet can accommodate it in a rights issue.

week Barclays also announced a shift, but nevertheless significant expansion into unit trust management and merchant banking in France while hardly a day passes without one or other of the banks opening a new branch office somewhere in the world.

Midland's international future also comes any longer term assessment of the bank. To date its preferred course of taking in consortium banks has given it including the Thomas Cook contribution the lowest overseas exposure. But decision by Standard Chartered, where and has a 16 per cent holding, to splash some £200m on a Californian bank important questions about whether form of closer arrangement to push combined group up the world banking is not in its best long term interests, rightly too the future of the EBRIC, which provides Midland with a major overseas thrust, has come under microscope following Deutsche Bank's plan to open a branch in New York in which some see as a lessening of support for European Banking, EBRIC's main arm.

the present, however, bank shares are preoccupied with the half-yearly period which opens this Friday. Although virtually no analysts expecting any fireworks, seeing that the half-year compares with a very table one in 1977, clearing bank shares been showing some strength in the week or so.

analysts more than usually divided in virtues of bank shares at present, must reflect in part purely technical. After showing a brisk turn of early this year, Midland's rights issue has them to heel and with the worries of leading controls, finally confirmed the weakness of the market for a few months. But worries over any profit fund raising move now seems to have passed until later this year while the deal, with the Post Office pension has resulted in less loose paper than have been the case in a rights issue. Meanwhile, bank shares offer a yield of around a tenth over the rest of market, while, providing the clearers keep within their corset ceilings—and latest banking figures suggest that is, and Midland if less so Barclays—able to do so—the market share clearers are gaining at the moment.

with a reasonably strong increase in second half and in 1979. The first half, however, interest rates been lower than the same period last while increasing rate competition has some of the edge off the 15 per cent rise in advances. Good growth in current accounts has insulated the banks somewhat, although again the endowment has been blunted by the reduced rate between base and deposit rates, and higher cost of wholesale funds, have been under some pressure.

that related banking activities

have been forging ahead, while other maverick factors such as pension fund top-ups are unlikely to complicate things this time. On the overseas side we have already seen the slowdown at Barclays Bank International, while results from Standard Chartered and Grindlays have shown the impact of the wind-down of world trade and elsewhere Eurocurrency margins have been under severe pressure.

All in all, then, clearing bank shares have some ground to make up. In an election year the domestic economy will be working in their favour, but there is little scope for any dramatic rerouting.

International Markets

Currencies still crucial

After its good run in the first nine months of last year, the London stock market—the world's best performer in 1977—has found the going appreciably tougher in the first half of 1978. By contrast, the Paris and Hongkong markets have streaked ahead, the former as a result of the electoral defeat of the Socialist/Communist alliance and subsequent government-inspired help to the equity market, the latter principally because of the greater confidence about relations with China and in sympathy with the upturn on Wall Street since early spring.

In general terms, what continues to stand out in any look at overseas markets is the

WORLD MARKETS

percentage changes in total market capitalizations in US dollars, end June 77 to June 78



dominating influence of currency strength—or weakness. Our chart shows that on a dollar basis even a relatively neutral performing market such as Frankfurt has proved a relatively attractive home for international funds. And where, of course, one has had the benefit of strong currency and a strongly performing domestic market, the effect has often been correspondingly impressive as, for instance, has proved the case with the Tokyo market. The same two factors applied to Wall Street during the spring rally as the dollar picked itself up temporarily off the floor, but for much of the period international investors have tended to have both factors working against them in the American markets.

In terms of ratings, the Japanese market now stands on an historic p/e ratio of 23½ against London's 7½, Wall Street's 9, West Germany's 12½, and Hongkong's 14½. The yield on Tokyo stocks, moreover, is down to around 1½ per cent, adding up to a fairly heavy premium for overseas investors.

On the other hand, the economy continues to look set to sustain a relatively high growth rate, while for many international investors exposure must still be highly desirable. The dollar must be unsustainable.

For other markets too a great deal must depend on the performance of the dollar over the coming months and the Wall Street reaction to the Administration's attempts to get to grips with inflation and the energy/trade deficit situation.

This apart, purely domestic factors look reasonably bullish for the German market as the economy accelerates, while underlying medium-term prospects in France probably look reasonable too.

For the United Kingdom investor looking overseas, there remains, of course, the not insubstantial hurdle of the dollar premium, the current effective rate being around \$1.20 to the pound.

It will be interesting to see come the next Wall Street upsurge, particularly if accompanied by a dollar rally, how the British investor will react. Will he continue to chase the premium? Or will he be ready to take at least some of his profits?

Last Friday Sir Hugh Fraser and three of his associates were found guilty of breaching the 1947 Companies Act. The court's ruling ended a protracted enquiry which dated back to the misclassification of a £4.2m loan in the 1975 balance sheet of Scottish and Universal Investments, of which Sir Hugh was chairman.

The real impact of the "Suits affair", however, lies less in the fines handed down by the court than in the part it has played in stimulating an increasingly broad-based debate about the whole nature of directors' responsibilities.

There has been much discussion in recent years about the duties of directors. Partly as a result of these discussions the Department of Trade decided to take a new look at the position of directors in law. This led to the publication last November of a White Paper, *The Conduct of Company Directors*.

The White Paper is strictly limited in its aims. It has all the earmarks of having been drafted primarily to close loopholes and clamp down on one or two of the specific ills exposed by earlier company investigations. Much of it, for instance, is devoted to introducing legal sanctions against insider dealing and tightening up on loans to directors. In many ways it is a very good document, but it does not move into wider issues.

One of these involves a proposal, hitherto rooted only in case law, should be put on to a statutory footing. The more controversial proposal is that the obligations of directors

should no longer solely be to shareholders as the owners of a business but also to the employees.

This latter proposal, however, demonstrates that the question of directors' responsibilities would have come up for public debate. The Bullock report has seen to that. The majority report may have been saved beyond reproach, but the government commitment to worker participation remains, which has prompted a widespread reassessment of what the functions of a board of directors should be.

For whatever reasons, directors as a species are therefore under more searching assessment, both from within and without, than they have ever been before. There is very little serious opposition to the efforts to make insider dealing illegal or to remove anomalies in respect of loans to directors, but beyond these very restricted areas there is widespread disagreement about what the responsibilities of a director should be.

The White Paper's basic pre-emption is that a director should be required to exercise that degree of care and diligence that a reasonably prudent person would exercise in comparable circumstances and the degree of skill which may reasonably be expected of a person of his knowledge and experience. This is not too far removed from the concept already incorporated in case law.

But the question of extending responsibility to cover employees as well as shareholders is much more thorny. Politically there is broad agreement

Defining the duties of a director

It is increasingly felt that the pressures in the direction of greater controls and supervision may be reaching the point of excess

ically there is broad agreement between Labour and the Conservatives that more duties to employees should be recognized and the same principle is broadly accepted in the City.

But so far, no attempt has been made to spell out how directors should behave when the interests of shareholders and employees are incompatible—for instance, in the case of a prospective factory closure.

The White Paper says that the Government "intends to make it lawful for directors to make provision for the interests of employees when closing down the whole or any part of the business". But to the extent that a company compensates employees—beyond its normal redundancy requirements, there is a very real question as to whether the directors' duty to shareholders is not in conflict with the immediate interests of shareholders.

When, in such circumstances, is to have priority? Unless this issue is clarified, the likely course is that direc-

tors would identify the long-term profitability of the company—that is to say, the shareholders' interest—as being also in the best long-term interest of the employees. The implication is that companies would continue to operate as they have in the past before the concept of legal responsibility to employees arose.

A second important issue upon which there is no general agreement is the role of non-executive directors. They are because Department of Trade reports have frequently criticized the behaviour of auditors, pressure has arisen for companies to set up audit committees composed of non-executive directors to review audit arrangements. This practice is already widespread in the United States.

The accountancy bodies have given their support to experiments with audit committees, and the Government, although not prepared to legislate at this stage, seems to be moderately in favour. But the White Paper acknowledges that the system could only operate successfully if companies were generally prepared to encourage their executive directors to serve in the capacity of directors in other companies. Not all companies are prepared to do this.

There is, moreover, a widespread feeling among some industrialists that it is wrong to have a small group of directors overseeing the audit, since the approval of the accounts is the function of the board as a whole.

Many companies, in any case, question the contribution that non-executive directors can

make. They point to instances raised in some Department of Trade reports where eminent non-executive directors singularly failed to spot underlying troubles before it was too late.

Much, obviously, depends on the calibre of the individual concerned. One recruitment expert has calculated four days a month as a minimum, but in practice 25 per cent of companies in *The Times* 1,000 have no non-executive directors anyway.

Perhaps most seriously worrying of all to many directors, however, is the fear that the state of "affairs" is producing an overreaction in government and the public. Directors are invariably highly paid individuals who already feel a grievance over the high levels of tax they pay. They now also sense that their freedom to manage their businesses and personal matters in the way they think best is being increasingly circumscribed.

A recent example which has caused particular ill-will among some directors has been the requirement that they should report their share dealings to the Stock Exchange. This was followed by the publication of a Stock Exchange code of conduct restricting directors' dealings to certain times of the year.

It is increasingly felt that the pressures in the direction of greater controls and supervision may be reaching the point of excess and are fast threatening to become counter-productive.

Christopher Wilkins

Melvyn Westlake reports on the latest position of the Geneva trade talks

The Tokyo Round goes into extra time

with large public sectors, like those of Europe and the developing countries, with private enterprise dominated economies like that of the United States.

The clash of philosophies is nowhere more apparent than on the question of subsidies, one of the thorniest issues with which the trade negotiators have had to deal.

The Third World countries, for example, believe that their undeveloped state they

cannot compete in many markets for industrialized goods unless they give subsidies to exporters. European Community nations, too, insist that their pressing social and regional problems compel them to give subsidies on a wide scale, to support the incomes of farmers, and workers in declining industries, as well as companies in depressed regions.

For this reason, the EEC has opposed the United States proposals which would proscribe the use of many such subsidies. Instead, the Europeans complain about the United States use of countervailing duties which are imposed on foreign goods that are shown to have been subsidized.

What particularly annoys the Europeans is that the United States does not even have to show that these subsidized imports are doing "material in-

jury" in domestic American firms. The "material injury" criterion has to be applied by everybody else. But because the United States countervailing duty laws are long standing, dating from the last century, an exception has in the past been made.

The situation has been brought to a head by provisions in the 1974 United States Trade Act, which gave the American Administration its negotiating authority. This takes away even the limited discretion that United States Presidents have in this area. In future, an automatic process could be set in train whenever imports are shown to benefit from what is known legally as "a bounty or subsidy".

This means that a very large number of products exported from Europe could face automatic exclusion from the American market. Any sectional interest in the United States which could show that imports received a bounty or grant, could oblige President Carter to take action. In the view of many Europeans this amounts to "protection on demand".

This is one of the big unresolved problems that remains to be worked out if the trade negotiations are to be concluded by the end of the year as is hoped. The United States has said that it is prepared to accept the "material injury" criterion before imposing countervailing duties as long as the Europeans will seek to limit the adverse trade effects of subsidies. Some way has, therefore, to be found to measure these adverse effects.

American remains adamant that it should still be allowed to take "unilateral" action if its own producers suffer "serious prejudice" as a result

of foreign subsidies. Thus, although the issue has been refined a little, it still comes back essentially to the same arguments.

However, when the industrialized nations, excluding three-quarters of the participants at the negotiations) agreed an interim document last week, called Framework of Understanding on the Tokyo Round, it was clear that several other issues were also unresolved. These included a question of "safeguards" and the liberalization of farm trade.

Under the Gatt articles, emergency "safeguard" restrictions can be imposed by a country facing a disruptive surge of imports. But all foreign suppliers of a product must be treated equally, whether they are responsible for the import surge or not, and they must be compensated.

This is regarded by Britain and France as an unsatisfactory blunderbuss. Instead, they want a precise definition of which permits selective action to be taken against specific suppliers. This is opposed by the low-cost developing countries who feel that they will suffer most from this change.

Industrialized countries have largely agreed that safeguards should be a more selective weapon but disagree over what kind of supervisory body would be set up to police any new code of practice.

In agricultural trade, the United States has expressed itself particularly unhappy with results so far. The Europeans have resisted changes that would increase the American share of trade in products like tobacco, citrus fruits and some vegetables. Neither is there any agreement yet on the conditions governing trade in wheat.

AMBAC International Corporation

US\$10,000,000 5½ per cent 15 year Convertible Loan of 1968 with the subordinated guarantee of

AMBAC Industries, Incorporated

NOTICE TO BONDHOLDERS

As a result of the merger, which took effect on July 14, 1978, of AMBAC Industries, Incorporated into UTA Corporation, a corporation established under the laws of the State of Delaware, U.S.A., a Supplemental Trust Deed, supplemental to the Trust Deed dated 11th November, 1968 constituting the above Loan, was entered into on July 14, 1978 between AMBAC International Corporation (1), UTA Corporation (2), United Technologies Corporation (3), AMBAC Industries, Incorporated (4) and Eutaw Banc Executor and Trustee Company (5) pursuant to the Conditions of the Bonds representing the above Loan.

Under the Supplemental Trust Deed, with effect from July 15, 1978, UTA Corporation has assumed the subordinated guarantee of AMBAC Industries, Incorporated in substitution for AMBAC Industries, Incorporated in accordance with Condition 17 (b) of the Bonds, and in accordance with Condition 6 (b) (viii) of the Bonds the Bonds became convertible, at the option of each Bondholder, into cash or into Common Stock of United Technologies Corporation, which is incorporated under the laws of the State of Delaware, U.S.A. and which is the quoted holding company of UTA Corporation. If Bonds are converted into cash the cash conversion price is US\$1.536 per Bond and if Bonds are converted into Common Stock the "Conversion Price" for the purposes of Condition 6 of the Bonds is US\$3.25 per share of Preferred Stock.

The existing Notices of Conversion attached to the Bonds will continue to be used for the conversion of Bonds.

If Bondholders wish to convert Bonds into cash the Bonds to be converted, together with (i) the Notice of Conversion attached thereto completed and endorsed with the words "Cash option exercised" and (ii) unexpired coupons shall be delivered to one of the Paying Agents named below. Payment of the Cash Conversion Price will be made at the office of such Paying Agent to or to the order of the person whose name and address appears on the Notice of Conversion within 21 days of notice by the Principal Paying Agent to UTA Corporation of the surrender of the Bonds.

For Bondholders who wish to convert Bonds into Preferred Stock of United Technologies Corporation, there is no change in the arrangements and a Notice of Conversion, completed without the endorsement of the words "Cash option exercised", will be deemed to be a request to convert a Bond into Preferred Stock of United Technologies Corporation.

Copies of the Supplemental Trust Deed referred to above are available for inspection by Bondholders at the offices of the Paying Agents named below.

PAYING AGENTS

London
Principal Paying Agent
Hambros Bank Limited
41 Abchurch Lane
London, EC4N 3AA

New York
Manufacturers and Traders Trust Co.
654 Madison Avenue
New York, N.Y. 10021

Dated July 17, 1978

UTA CORPORATION

Kreditbank S.A. Luxembourg
37 Boulevard Royal
Luxembourg

Ross Davies

Business Diary in Europe: Are the Swedes out of the woods?

Erik Thunholm who was in at the wheel of a Swedish bank, is more cheerful than you expect of a banker—and a bit of a wit.

is chairman of his country's biggest bank, Skandinaviska Enskilda Banken, the head of a national bankers' association and chairman of a number of companies, among them Swedmatch, whose fortunes are affected by economies other than Sweden's.

Swedish economy, he told me, is "decidedly improving" and that October's devaluation, which was the first in five years, was just as predictable.

Sweden, like Britain, is moving towards a general election, he said. They have their elections every three years on a date, and until two years ago the result was just as predictable.

Now, however, there is a Conservative/Liberal coalition in power, and Thunholm thinks they will retain only if they can go to the very end.



Photograph by Charles Milligan

Sweden's nuclear election: Skandinaviska Enskilda Banken's Lars-Erik Thunholm.

Sweden's nuclear election: Skandinaviska Enskilda Banken's Lars-Erik Thunholm. The past two years have been out of the ordinary politically and financially for Thunholm, a lifelong banker. Ever since he started in the business in 1937, the Socialists had been in power.

Both as chairman of his country's largest bank, and as chairman of the Swedish bankers' association, he has been at the centre of relations between, on the one side, the banks and the big Swedish companies and, on the other, the Riksbank (central bank) and the coalition.

The Government's austerity policy has been the right one, he said, but the credit restraint on banks' industrial lending had been too harsh. There had been a "deplorable" 15 per cent drop in capital expenditure and the loss of many jobs. The banks were positively en-

couraged, however, to borrow money on behalf of the industrial clients. This was quite a new idea in Sweden. Skandinaviska Enskilda's own London subsidiary, Scandinavian Bank, has been here only ten years.

The Swedish firms—traditionally a dynamic area in Swedish business—had less access to foreign and domestic money and are taking more of a hammering than the bigger concerns.

Even the biggest firms have not come through unscathed. Thunholm is chairman of a string of big Swedish companies, and has just overseen the merger of the pulp and papers interest of one of them, Billerup, with those of one of its rivals, Uddeholm.

The Swedish products industry has been in trouble for some years, particularly because of competition from the United States and Canada.

Pulp and paper business picked up again this spring, Thunholm said, and he expects the merged Billerup/Uddeholm activities—now Sweden's third largest forest products concern—to be in better shape to exploit an improved market.

Nonetheless, the merger will do away with 1,000 jobs, one in ten, and all of them in western Sweden.

Thunholm is also chairman of Swedish Match, whose chipboard subsidiary here, Weyroc, has been losing money ever since it was acquired from British Match.

Thunholm said that he hoped Weyroc would break even "in a year or so" following the closure of one factory and the upgrading of products. Although the recovery need cost no more jobs.

The news was not so good for Kåbel, a Swedish high-tech subsidiary in West Germany making furniture. Here again, Thunholm thinks a year or so will see this loss-maker in the black, but jobs will have to go.

In France, hopes for Genprod, the disposable lighter firm, embroiled in a price war with Bic and Gillette, depend upon a new product, safer—he says—than anything on the market, and if it takes off, jobs will be preserved.

Now that's what I call a safety lighter.

It's part of the job of being a finance minister in close tax relations with West Germany, with its bewildering tax laws, gives an ambitious and inventive minister plenty of scope for action in this area.

But the members of the budget-year-old German Chess Federation are probably justified in feeling somewhat victimized by the latest penny-pinching exercise dreamed-up by the finance ministers of the 11 federal states.

The ministers want to deprive the chess men of women of the tax privileges that they enjoy through being classified as members of a socially-useful institution and of the German sporting federation.

However, after a few bold initial moves, the finance ministers' game has run into difficulties. For Germany's chess players have a colossus, Willi Weyer, the president of the German Sporting Federation, to fight on their behalf.

Weyer has countered the

claim that chess is not really a sport, but that it is a chess players, when preparing for a match, indulge in exercises that are nothing if not sporting in character.

This unusual argument seems to have checked the 11 finance ministers from their attack, but they have temporarily called off their dogs to consult with experts. But Weyer will probably need some more subtle moves up his sleeve if he is to force his 11 opponents to concede checkmate.

Even the Swiss National Bank seems surprised by the 40m Swiss francs (£11.5m) worth of bank notes, in denominations from 50 to 1,000 francs, issued in 1971 and 1972 that have yet to be redeemed. They were withdrawn from circulation in 1958 and 'became legally valueless' at the end of September when the money they represent goes to the state fund for compensation payments in cases of damage attributable to the forces of nature. Until September 29—September 30 is a Saturday—the notes can, of course, be exchanged for face value at the national bank.

Where are they? The figure largely exceeds the normal disappearance due to fire and flood and during the period when they were circulating the Swiss franc had not acquired a lustre attracting savers in other countries. It will be interesting, therefore, to see what quantities of cash are disgorged from mattresses and old socks in the coming weeks.

Ross Davies

MANAGEMENT

Redfearn's experience in the takeover arena

Redfearn National Glass is now going back to the business of making bottles after a year of distracting takeover bids and Monopolies Commission investigations.

Redfearn went through the mill at a critical time in its development as a company and, indeed, to the glass container industry. The onslaught began in May last year when Rhen International, the overseas arm of a New York group, City Investing Company, approached Redfearn. In August, after persistent rejections, Rhen publicly launched a partial bid for control.

Rhen later came back with a higher partial bid followed by a takeover bid from another British container maker, Rockware. This was followed by a reference to the Monopolies Commission and an announcement from United Glass, the Distillers' offshoot, that it would also like to bid for Redfearn.

In the event Rhen pulled out and Rockware and United Glass were ruled out of court by the commission, but before a long, hard struggle that left Redfearn breathless

even if bid-proof from any of its competitors in the container business.

Redfearn had been formed in 1967 by the merger of Redfearn Brothers in Barnsley and National Glass in York. Profits last year were £4.6m. It will make more this year and may be regarded as a case example of a medium-sized essentially one-product company.

One-product company

The sudden experience of being examined by lawyers, accountants, merchant bankers and civil servants was something for which Redfearn was not prepared.

As the phones started ringing Stanley Race, the chairman, who has since stood down to be succeeded by his deputy John Pratt, decided that glass bottles would continue to be produced uninterrupted and unimpeded in spite of the heavy demands made on their time elsewhere.

In practical terms this meant there were fewer people up to whom decisions could be referred, though possibly because of

the simplicity of Redfearn's operation, this caused no real problems.

But Harold Williamson, the marketing director, had to cope with the curiosity of customers. Users of glass bottles are nervous about their sources so Redfearn was under pressure first to reveal who was bidding and later to give the "inside story" on whether it would capitulate at such and such a price. Gradually some customers began to emerge who favoured the group's independence and Mr Williamson used the opportunity to squeeze extra orders out of them as gestures of support.

Meanwhile Michael Whitley, the finance director, Mr Pratt and Mr Race were dashing back and forth between London and York. Eventually it became clear that Rhen was getting nowhere.

After the first bid it won acceptances amounting only to 11 per cent of the equity and towards the end of the second bid only 21 per cent had been accepted. But then Rockware stepped in and the Monopolies Commission intervened.

This meant that Redfearn were "back to square one", just as it looked as though it was all over. For the work force the issue became more critical: becoming a division of an American company was one thing, but being taken over by a known British competitor was a more controversial issue. It led to a mass of rumour and counter-rumour about Rockware's intentions.

Fair conclusion

The commission immediately involved one more professional adviser, a barrister. The approach was essentially informal, though within a formal framework, but it was complicated by the fact that Redfearn had no idea what the other parties were saying; so, in order to be sure, the defence had to cover every conceivable point.

Also, the commission seemed to have a capacity for raising extraordinary questions, such as why Redfearn could not supply the particular bottles asked for by a man five years ago who had not bought a bottle since.

But if the Monopolies Commission experience was time-consuming and complex, even if fairly genial, the commission's conclusion that the takeovers should not go ahead seemed self-evident in monopoly terms merely because of the respective market shares—Rockware 26 per cent, United Glass 27 per cent and Redfearn 16 per cent.

Mr Pratt is convinced that it was basically fair and any more superficial approach would have left an opening for the losers to protest. Moreover, it might be added that the whole process, bids and inquiries, has more than quadrupled Redfearn's share price, given its somewhat full publicity and asserted its commitment to independence more effectively than any chairman's statement.

But it was not cheap. Redfearn reckons that it has cost it £150,000 already, but there is more to be included in the annual figures.

The costs of the inquiry are accepted more or less ungrudgingly, but the costs of defending against the Rhen



Back to making bottles for Michael Whitley (left), finance director, and John Pratt, chairman of Redfearn National Glass.

bid are questioned more seriously. Why, after all, should Redfearn have to bear the cost of a bid that managed to convince holders of only 21 per cent of the equity?

Messrs Pratt, Race, Whitley and Williamson are now back at the task of making and selling glass bottles (not easy given the poor summer

weather) and dealing with less spectacular problems. Apart from the vast amounts of overtime worked by themselves and others, like Mr Race's philosophical driver, the effect on the daily running of the company seems to have been small.

Some commercial information has been published which Redfearn would have been happier

to keep confidential, though the commission was generally accommodating on this score, but otherwise the trading effects were minor, or even beneficial if you count Mr Williamson's method of eliciting orders on the back of verbal support.

Bryan Appleyard

Robertson to woo French with the British breakfast habits

Robertson's "golly" could soon be as familiar a sight on the breakfast tables of France as it is on those of Britain. For cornflakes-to-marmalade maker Robertson Foods is about to launch a campaign to woo the French from their traditional croissants and coffee.

The group will do this through its Brittany confection subsidiary Penry SA, and, according to Nick McBrien, managing director of this offshoot, a successful onslaught on early morning continental eating habits could lead to the setting up of a cornflake factory in Europe.

Robertson's breaded foods are distributed in a small way through an agent in Paris but distribution is about to be transferred to the Penry sales force in an attempt to improve turnover.

The Penry subsidiary, partly purchased in 1973 and mopped up earlier this year, is the most recent management success story of the group. Bought for £750,000, it turned in pre-tax profits of more than £700,000 last year and, to top that figure comfortably this time round after last month's abolition, by the French government, of price controls on canned vegetables. Around two thirds of Penry's



earnings come from the vegetable canning side of the business, with the balance made up by prepared meals which are canned in the winter. This diversification enables the group to maintain its full 170-strong workforce throughout the year and Mr McBrien admits that ideally the two sides of the business ought to be split more evenly to prevent the company becoming hostage to the uncertainties of the weather. Plans are under way at present to step up production of prepared meals. Penry, based on the traditional Breton summer vegetables of peas and green beans, was set

up in the 1950s and run as a one-man business by M Claude Penry until the Robertson takeover in 1973.

When M Penry died suddenly in 1976, leaving a young management team with an average age of only 28 to run the company, few of its local competitors gave it much chance of survival. However, the French triumvirate, with its specialized knowledge of the business, backed by the financial and industrial strength of the parent group, proved to be a powerful force and the company not only survived, but flourished.

But Penry's troubles are not completely behind it. The canned vegetable business in France is the third largest in the world but every year consumption falls by about 1 per cent as all-the-year-round imported fresh vegetables pick up market shares. And, as competition from frozen vegetables looms on the horizon, the cornflakes is becoming more necessary.

The plans are there, but if the French fail to take to the British breakfast habits, probability is the Cornflakes could wipe the smile from the face of the long-suffering golly.

Alison Mitchell

Subsidiaries may be oppressed says a new report
Too much power at the centre?

'It is clear that non-production functions in manufacturing industry no longer provide a plentiful source of semi-skilled and unskilled 'white-collar' opportunities and that there is an increasing need for technical and professional personnel'

production occupations in larger bed offices that ran a number of subsidiary companies.

It is possible that the domination of the 'subsidiary type' corporate organization in the United Kingdom is in part responsible for some of the deficiencies of United Kingdom manufacturing industry. Running six subsidiary companies, each operate in one industry and produce similar, but not identical products, make it difficult to acquire the long runs needed to take full advantage of full economies of scale—and this is one factor that recent research has shown to be associated

with control in the financial sense and perhaps is dominated by people with fairly narrow financial and legal backgrounds, whereas technical expertise was dissipated through a large number of subsidiary offices.

This domination of the subsidiary-type corporate structure may also help to explain why the large number of mergers and increased concentration in the United Kingdom does not seem to have brought concomitant economic benefits. The full economies of scale are never achieved because the individual constituents of the mergers carry on their previous activities with relatively minor

alterations, the report declared.

Dealing with the implications of the study in terms of regional policy, and in particular the heavy concentration of non-production employment in London and the South-east, the authors said that policies directed at corporate headquarters were not likely to move many higher grade jobs, nor were they likely to go to development areas. The more practical policies, the report concluded, appeared to arise for such functions as research or data processing, for whom contacts were less important.

On a more general level, it is clear that non-production functions in manufacturing industry no longer provide a plentiful source of semi-skilled and unskilled 'white collar' opportunities and that there is an increasing need for technical and professional personnel, the authors said.

They continued: "At the present time, the pressure on senior executives is diverting their attention towards financial and legal activities, rather than technical and production-oriented activities. The relative dearth of fully experienced executives may be due to the domination of the 'subsidiary type' of corporate organization in British industry."

"Non Production Activities in United Kingdom Manufacturing Industry, R. E. Crum and G. Cudgin, available from HMSO, £1.60.

Peter Hill

Public and Educational Appointments also on page 9

University College London Appointment of Provost

In consequence of the election of Lord Annan as Vice-Chancellor of the University of London, the Council of University College London intends to appoint a successor to him as Provost from 1 October 1979 or such other date as may be arranged.

The Provost is the chief academic and administrative officer of the College, and is traditionally, one of the London representatives on the Committee of Vice-Chancellors and Principals.

The salary and other emoluments are negotiable, and living accommodation is provided.

Anyone interested in being considered for the post, or wishing to recommend anyone for such consideration, is invited to communicate by 4 September 1978 with the Chairman, Sir Bernard Waley-Cohen, Bt., LL.D., M.A., at University College London, Gower Street, London WC1E 6BT, from whom further particulars are obtainable.

UNIVERSITY OF LEICESTER

DEPARTMENT OF PHYSICS

RESEARCH ASSOCIATE

Applications are invited for the post of Research Associate to undertake a theoretical study of molecular beam scattering and growth processes at solid surfaces in collaboration with Professor J. L. Reid. The work involves the consideration of scattering and absorption of incident particles and the description of the motion of trapped atoms or molecules on such surfaces. A doctoral degree is required, preferably with a knowledge of statistical mechanics, quantum mechanics, and molecular physics. The position is full-time, and the salary is negotiable. The appointment will be initially for one year from 1st October 1978, with the possibility of extension. Details and names of three referees to Professor J. L. Reid, Department of Physics, University of Leicester, LE1 7RH.

Flinders University of South Australia

APPOINTMENT OF VICE-CHANCELLOR

The Vice-Chancellorship of the University will become vacant when the present Vice-Chancellor, Professor J. S. Russell, retires on 22 December 1978. The University is now conducting a search for a successor to Professor Russell and invites applications from suitably qualified persons. The appointment will be for a period of five years from 1 January 1979. Further particulars are available from the Secretary of the University, Flinders University, St. Mary's Road, Adelaide, South Australia 5001.

University of Bristol CHAIR IN PHILOSOPHY

The University proposes as soon as possible to create a Chair in Philosophy which will become vacant in August 1979 on the retirement of Professor J. H. Garth. The University is now conducting a search for a successor to Professor Garth and invites applications from suitably qualified persons. The appointment will be for a period of five years from 1 January 1979. Further particulars are available from the Secretary of the University, University House, Bristol, BS8 1TH.

MANAGEMENT SURVEYORS

Due to expansion of our Management Department we require one Senior Management Surveyor and two Management Surveyors in our Mayfair office to assist in the control of our large portfolio of properties. These positions allow for advancement within the company. Please apply in writing to:

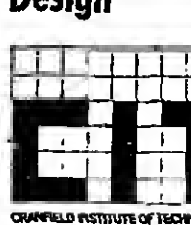
Mr E. Wallman
Winthorpe & Company
48 Caron Street
London, W.1

University of Edinburgh

DUKE OF EDINBURGH CHAIR OF CARDIOLOGY

Applications are invited for the Duke of Edinburgh Chair of Cardiology, which is held by the British Heart Foundation. Further particulars may be obtained from the Secretary of the University, Old College, Edinburgh, Scotland. The salary is £12,000 per annum, with whom 22 copies of the application should be sent, together with a curriculum vitae, to the Secretary of the University, Old College, Edinburgh, Scotland. The appointment will be for a period of five years from 1 January 1979. Further particulars are available from the Secretary of the University, Old College, Edinburgh, Scotland.

Director of the Centre of Engineering Design



CHANCELLOR INSTITUTE OF TECHNOLOGY

ADVANCED TEACHING + RESEARCH

SCOTTISH SOCIETY FOR RESEARCH IN PLANT BREEDING

Scientific Officer—Chemistry

The Chemistry Department of the Scottish Plant Breeding Station has a vacancy for a Scientific Officer to develop new methods of quality components of crops and to develop new methods of quality components of crops and to develop new methods of quality components of crops.

Minimum qualifications: HNC, pass degree or equivalent in Chemistry or Bio-Chemistry. Experience in a laboratory with a strong background in plant breeding and in the use of modern techniques of plant breeding.

Salary: In the range £2,839 to £4,415 per annum according to qualifications and experience.

Non-contributory superannuation scheme.

Application forms from the Secretary, Scottish Plant Breeding Station, Pentlands, Roslin, Midlothian EH25 9RF, to be returned not later than 4th August 1978.

University of Cambridge

BOARD OF EXTRA MURAL STUDIES

Invites applications for the following:

ASSISTANT SECRETARY

Experience in administration is essential and familiarity with the work of the Board would be an advantage.

TUTOR OR ASSISTANT TUTOR

In Biological Sciences, an Ecologist capable of teaching BSc and related topics in Environmental Science. The successful candidate will be expected to take charge of the practical work of the course and to be responsible for the supervision of the students.

TEMPORARY LECTURER IN SOCIAL POLICY

The successful candidate will be expected to take charge of the practical work of the course and to be responsible for the supervision of the students.

TEMPORARY PART-TIME LECTURER IN SOCIOLOGY

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TEMPORARY PART-TIME LECTURER IN SOCIOLOGY

The successful candidate will be expected to take charge of the practical work of the course and to be responsible for the supervision of the students.

Applications are invited for this new post within the Faculty of Engineering. The person appointed will be responsible for all aspects of the development of teaching and research in the Centre and for the long term establishment of a National College of Engineering Design. The appointment will be made within the salary range for professorial staff.

Further particulars and a job specification may be obtained from the Personnel and Organisation Officer, Cranfield Institute of Technology, Cranfield, Bedford MK43 0AL (tel. Bedford 75011, ext. 211).

Internal enquiries may be addressed to the Dean of the Faculty, Professor J. L. Stollery, (ext. 229).

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ST. GEORGE'S ENGLISH SCHOOL

ROME

Large co-educational day school. Enrolment 800 pupils. Salary Burnham plus.

Primary Department requires for September 1978 Infant Teacher and Junior Teacher—Minimum 2 years' experience.

Interviews to be arranged in London on Friday, 21st July. Telephone 730 9191 Monday, 17th July or Tuesday, 18th July between 9.00 and 12.00 for appointment. We will interview a number of two referees must be submitted when telephoning.

CRANLEIGH SCHOOL

Head of Economics/Business Studies

Economist required with effect from September 1978 to teach Economics up to Scholarship level and some Business Studies. Games player desirable. Accommodation provided.

Applications with full curriculum vitae to The Headmaster, Cranleigh School, Surrey.

STONYPURST COLLEGE

MATHEMATICS TEACHER

Required to teach Mathematics throughout the school to Oxford level. The successful candidate will be responsible for the development of the Mathematics Department and will be expected to take charge of the practical work of the course and to be responsible for the supervision of the students.

Salary: In the range £2,839 to £4,415 per annum according to qualifications and experience.

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UEA

NORWICH

KEEPER ASSISTANT

Required to maintain the collections of the University of East Anglia. The successful candidate will be responsible for the development of the Collections Department and will be expected to take charge of the practical work of the course and to be responsible for the supervision of the students.

Salary: In the range £2,839 to £4,415 per annum according to qualifications and experience.

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Freight report

David Robinson

* 7 day deposits on sums of £10,000 and under 6 1/2%, up to £25,000, 7 1/2%, over £25,000 7 3/4%.

WHEWAY WATSON

**MANUFACTURERS OF
TRAIN AND MATERIAL HANDLING EQUIPMENT**

More share prices
The following will be added to the London and Regional Share Price List tomorrow and will be published daily in Business News:
Commercial & Industrial
Dewhurst Dent

	Price Friday	last week	Gross Olivia	Yld Per	P/E
63	-1	5.4	8.6	8.3	
201	-2	18.5	7.8		
42		3.3	7.8	17.9	
163	+1	12.0	7.4	8.8	
115	-1	5.1	4.4	9.3	
230		17.5	7.6		
130	+1	12.4	9.5	5.1	
143	-1	15.0	10.1	5.9	
52	+2	5.0	9.6	6.1	
106		6.5	6.1	9.8	
315		29.7	9.4	5.2	
20	+1		17.8		
80	+2	12.0	15.0		
83	+3	7.4	8.9	8.9	
105		6.4	6.1	7.7	

**are good grounds for
the current year**

even though long-dated Euro-mark issues fell by about 0.75 points last week in sympathy with a decline in domestic German bond prices, there was no evidence of "bargain-hunting" by non-resident investors.

In the past such investors have been in the vanguard of

Moreover, the speculative frenzy in the Deutsche mark-dominated convertible market of Japanese companies waned during the week. A Dm150, 10-year convertible issue of Yanayo Electric Co, bearing 3.5 percent interest, traded on the Friday before last at 102.63-103.13, fell to 99.25-100.25 at the end of last week. Speculators in some of the other Japanese convertible issues were more active, but convertible issues were greater even though the Tokyo stock market rose last week.

A specialist, in these securities

able at a discount of between 1.25 and 1.5 points to larger investors who refused to take the offering at par.

Dealers said the Cassa Manzano issue suffered from a comparison with a \$125m 15-year issue of Midland Bank, which carries the classic 0.25 percent spread above interbank rates. The Midland Bank issue was being reoffered last week, the Midland Bank issue was being reoffered in the market on Friday at 99.

In the intermediate-quality class A\$40m five-year note issue

Sparrbankens 8% 1988	96	9.02	151	-2.17
Sweden 7% 1988	93	8.55	97	18.49
Sweden 8% 1987	94	8.16	114	3.34
Tatnortsbank 8% 1987	94	8.17	79	72.68
Walter Kilde 8% 1983	96	9.29	122	1.00
			54	17.30
			52	17.30

[illegible]

